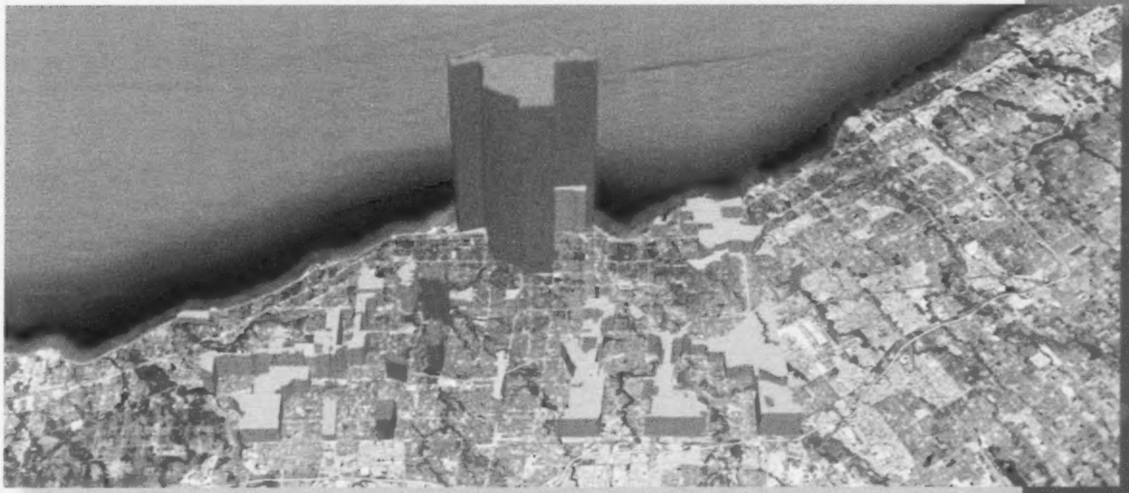
Sustainable Competitive Advantage and Prosperity – Planning for Employment Uses in the City of Toronto



Prepared By:

MALONE GIVEN PARSONS LTD.

In Association With:

Cushman & Wakefield
Real Estate Search Corporation
The Centre for Spatial Economics

October 2012

Sustainable Competitive Advantage and Prosperity- Planning for Employment Uses in the City of Toronto

Prepared For:

City of Toronto, City Planning Division

Prepared By:

Malone Given Parsons Ltd.
140 Renfrew Drive, Suite 201
Markham, Ontario
L3R 6B3
jgenest@mgp.ca

In Association With:

Cushman & Wakefield
Real Estate Search Corporation
The Centre for Spatial Economics

October 2012

EXECUTIVE SUMMARY

This study's key conclusions are that sustaining Toronto's competitive advantage and prosperity will require:

- ***Continued preservation of the industrial employment land base for its wealth generating capacity; and***
- ***A new focus on targeting new office space construction to realize future growth potential.***

There is potential for Toronto to accommodate 200,000 more office jobs than indicated by a "business as usual" development path to 2041. Achieving this growth will depend on an integral alignment of planning, transit, and economic development initiatives. Success will bring balanced intensification and expanded tax revenues in addition to significant job growth and wealth generation.

This *Sustainable Competitive Advantage and Prosperity - Planning for Employment Uses in the City of Toronto* study report has been commissioned to inform the City's Five-Year Review of its 2006 Official Plan. It will also support the City's Municipal Comprehensive Review, a pre-requisite to making decisions about converting lands designated for employment to non-employment uses. The study provides policy recommendations with consideration of economic objectives and competitive strategy, all targeting continued prosperity and balanced employment and population growth.

CONTEXT – The planning context and its imperatives are shaped by policy, the geography of wealth creation and the need for balanced growth.

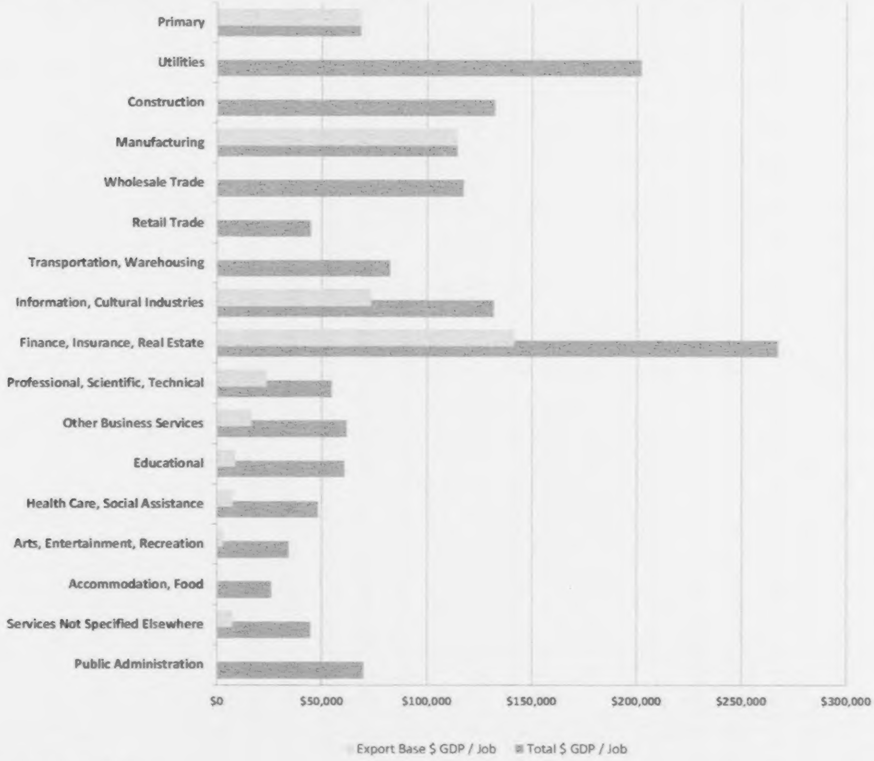
The context for planning for employment uses at 2012 has several elements shaping economic imperatives and strategic directions:

- A policy context focussed more on traditional "employment areas" than those expected to generate employment growth in the future – dense, mixed use areas served by higher order transit;
- A reality in which the city's export-based wealth is generated by jobs concentrated in its Downtown and Central Waterfront and its Employment Districts (see Figures A and B);
- A fiscal balance showing non-residential assessment to be slipping behind growth in residential assessment over the 2001 to 2011 period; and

- A prospect of significant downtown population growth not being balanced by parallel growth in employment space. Figure C highlights how roughly 34% (30,500 units) of the city's residential supply pipeline is targeting locations in the Downtown and Central Waterfront.

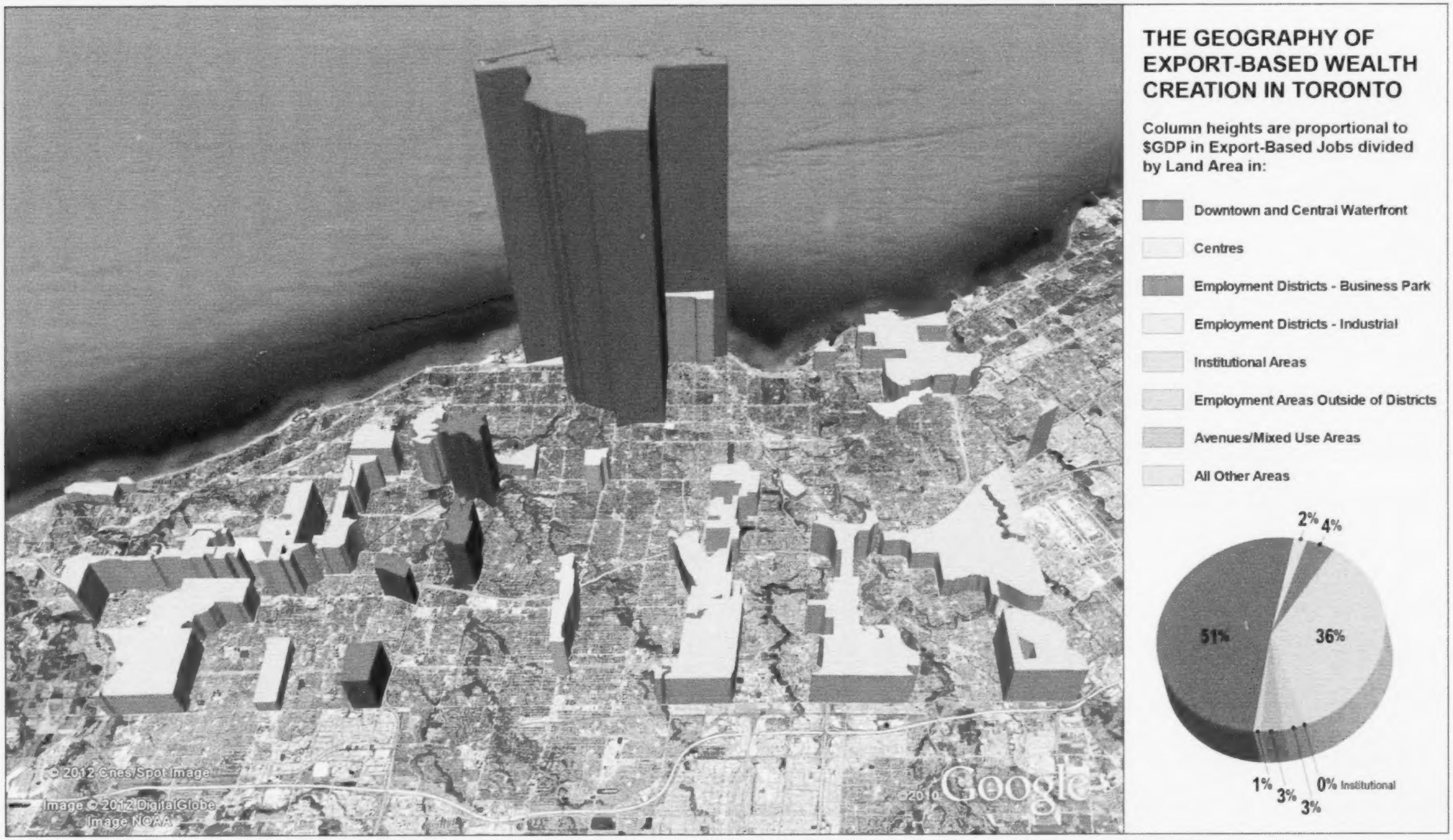
Figure A below illustrates both the economic productivity of jobs in different sectors, and the extent to which those jobs are "traded" or export-based (e.g., manufacturing, finance and insurance), or community-based (e.g., retail, government services). Export-based sectors are generally considered to be the drivers of wealth creation in an economy. High export-based jobs sectors are also high job multiplier sectors – manufacturing and finance and insurance leading among them. These are the highest leverage jobs in the city's economy. Figure B shows how over 90% of Toronto's wealth creation is concentrated in the Downtown and Central Waterfront area and the city's Employment Districts. The former generates 51%, mostly in office buildings. The Districts generate 36% of the city's wealth, mostly in industrial space but in office space as well.

Figure A: Total and Export-Based Wealth Generation ($GDP) by NAICS Sector



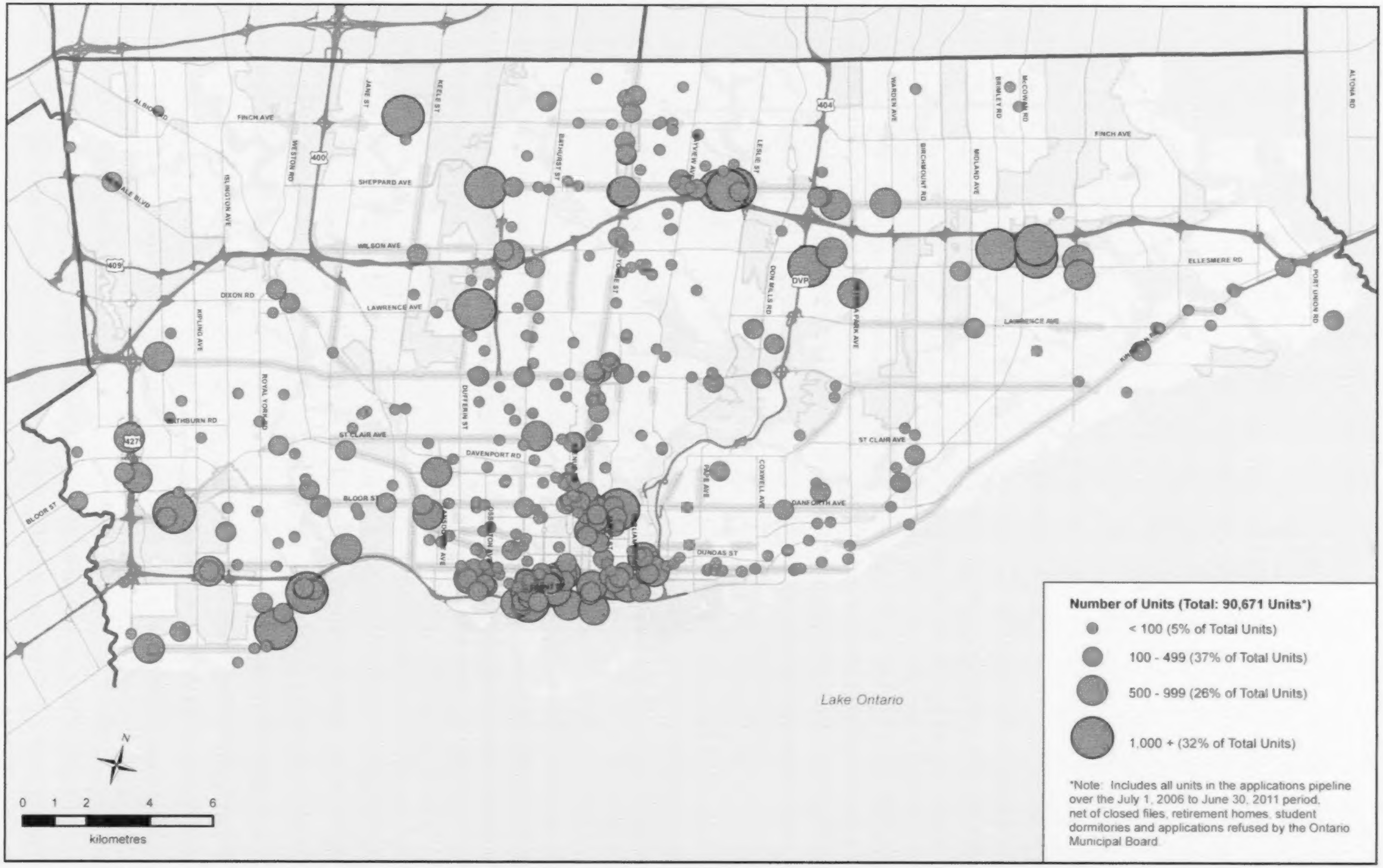
Source: C4SE-SPI.

Figure B: The Geography of Export-Based Wealth Creation in Toronto


THE GEOGRAPHY OF EXPORT-BASED WEALTH CREATION IN TORONTO
Column heights are proportional to $GDP in Export-Based Jobs divided by Land Area in:
Downtown and Central Waterfront
Centres
Employment Districts - Business Park
Employment Districts - Industrial
Institutional Areas
Employment Areas Outside of Districts
Avenues/Mixed Use Areas
All Other Areas
2%
4%
51%
36%
1%
3%
3%
0% Institutional
© 2012 Cnes/Spot Image
Image © 2012 DigitalGlobe
Image NOAA
©2010 Google

Source: TES 2011, C4SE-SPI, Malone Given Parsons Ltd., from a graphic concept developed by the Canadian Urban institute and Real Estate Search Corporation.

Figure C: Residential Development Applications in the City of Toronto


ALBION RD
FINCH AVE
JANE ST
KEELE ST
WESTON RD
400
SHEPPARD AVE
ISLINGTON AVE
WILSON AVE
409
DIXON RD
KIPLING AVE
LAWRENCE AVE
ROYAL YORK RD
RATHBURN RD
427
ST CLAIR AVE
DAVENPORT RD
DUFFERIN ST
BLOOR ST
BATHURST ST
YONGE ST
BAYVIEW AVE
LESLIE ST
404
DON MILLS RD
DVP
WARDEN AVE
BIRCHMOUNT RD
BRIMLEY RD
McCOWAN RD
MIDLAND AVE
FINCH AVE
ELLESMERE RD
LAWRENCE AVE
ALTONA RD
PORT UNION RD
ST CLAIR AVE
DANFORTH AVE
PAPE AVE
COXWELL AVE
DUNDAS ST
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Units (Total: 90,671 Units*)
< 100 (5% of Total Units)
100 - 499 (37% of Total Units)
500 - 999 (26% of Total Units)
1,000 + (32% of Total Units)
*Note: Includes all units in the applications pipeline over the July 1, 2006 to June 30, 2011 period, net of closed files, retirement homes, student dormitories and applications refused by the Ontario Municipal Board.

Source: City of Toronto, Development Applications Pipeline, June 2006 – June 2011.

CURRENT SITUATION – The current picture highlights two themes: the importance of employment diversity and the need for new office space supply.

The study's situation analysis reviews the current employment structure, growth trends, and key characteristics of Toronto's current stock of employment space in the industrial, office building and retail & service sectors.

The geography of the city's 1.3 million jobs (2011) is summarized in Figure D, organized in accordance with the Official Plan's Map 2 urban structure typology. Key characteristics are:

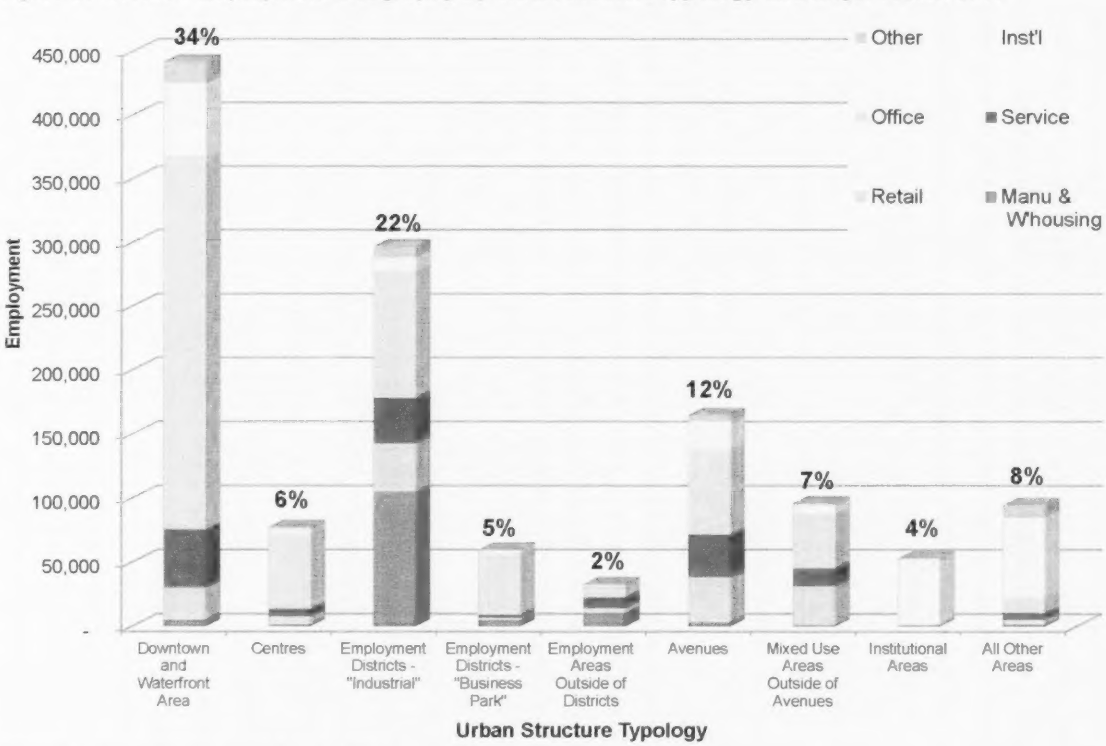
- The city's overall employment balance is quite diverse – while Office jobs[1] dominate with a 48% share in 2011, the remaining employment is fairly evenly spread among the other six major sectors;
- The Downtown & Central Waterfront area is home to roughly a third of the city's jobs, followed by Employment Districts and Areas at 30%, and Avenues at 13%;
- Office jobs are the most concentrated, in the Downtown & Central Waterfront area;
- Over 90% of Manufacturing & Warehousing jobs are located in Employment Districts or Areas. Elsewhere, there is notable diversity of employment sectors particularly in the Districts and Areas;
- Retail and Service jobs show a strong presence in Employment Districts and Areas. Service jobs are more prevalent in the Downtown & Central Waterfront, less so in Mixed Use Areas outside Avenues;
- Institutional jobs are concentrated in the Downtown & Central Waterfront area and in their eponymous use-specific designation, with 28% distributed across the city in the All Other Areas land type. Most of these occur in neighbourhood schools, retirement homes and other institutions.

Employment growth trends over the 2001-2011 period are depicted in Figure E. They show how decline in manufacturing and warehousing employment - a loss of some 58,300 jobs, was offset by growth in all other sectors except retail. The ten year period saw a net increase of 30,700 jobs. Most of that occurred after 2006, in office jobs located in the Downtown & Central Waterfront and in the designated Institutional areas. This net growth outcome highlights the importance of the City's diverse employment base and the role of office employment in sustaining wealth-creating growth.

---

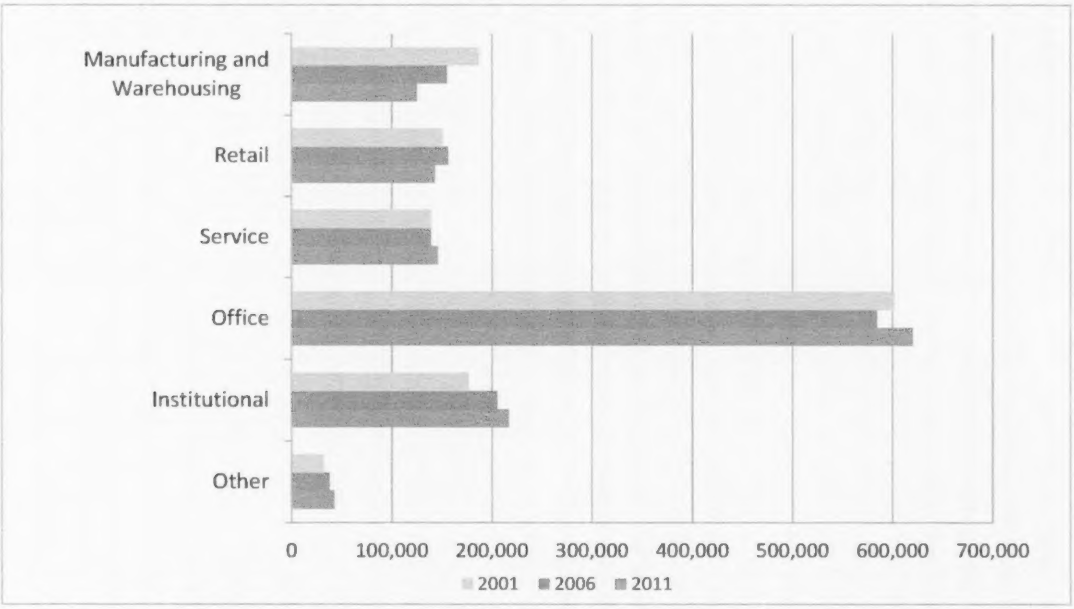
[1] As classified in the Toronto Employment Survey (TES), and as distinct from jobs situated in office buildings. Note also that the TES does not track work at home employment.

Figure D: Toronto's Employment Geography by Urban Structure Typology and Major Sector, 2011



Source: Toronto Employment Survey, 2011.

Figure E: Employment by Sector – 2001, 2006, 2011



Source: Toronto Employment Survey, 2001, 2006, 2011.

Key characteristics and trends for the city's dominant forms of employment space are summarized as follows:

- **Toronto's industrial space inventory and lands continue to show real strength:**

Toronto supported 34% of the GTA's industrial space in 2011, but generated only 6% of the region's new supply from 2000 to 2011. This evolution notwithstanding, several facts need highlighting:

- The city's "employment lands[2]" are home to 31% of its jobs – 36% of all manufacturing jobs in the GTA, the third largest industrial hub in North America;
- These areas remain remarkably vital – 36% of the manufacturing and related establishments they supported had been at their respective locations for 5 years or less in 2011; over $962 million in industrial building permit values were generated from 2006 to the end of 2010;
- The jobs these areas support are a critical source of employment to labour in the city's Neighbourhood Improvement Areas (previously known as Priority Neighbourhoods);
- While manufacturing employment may be in decline for a number of structural reasons, manufacturing output continues to increase – that productivity continues to need industrial space; and
- These areas provide the only viable home in the city to employment activity requiring separation from noise, activity or odour-sensitive residential and other like uses. They are the only home to the uses that cannot thrive in a mixed use setting.

- **Toronto's ability to sustain a continued supply of a mix of new office space is uncertain:**

As demonstrated in Figure F, Toronto's rate of new office space production began to dramatically lag that in the rest of the GTA (the "905") from the 1990's onwards. The 905 has generated over 200 new buildings between 20,000 - 250,000 sq. ft., located in office or industrial parks with next to no transit, retail, amenities or pedestrian-oriented street life from 1999 to 2011. Their primary attraction has been low cost space in a more certain decision/risk environment.

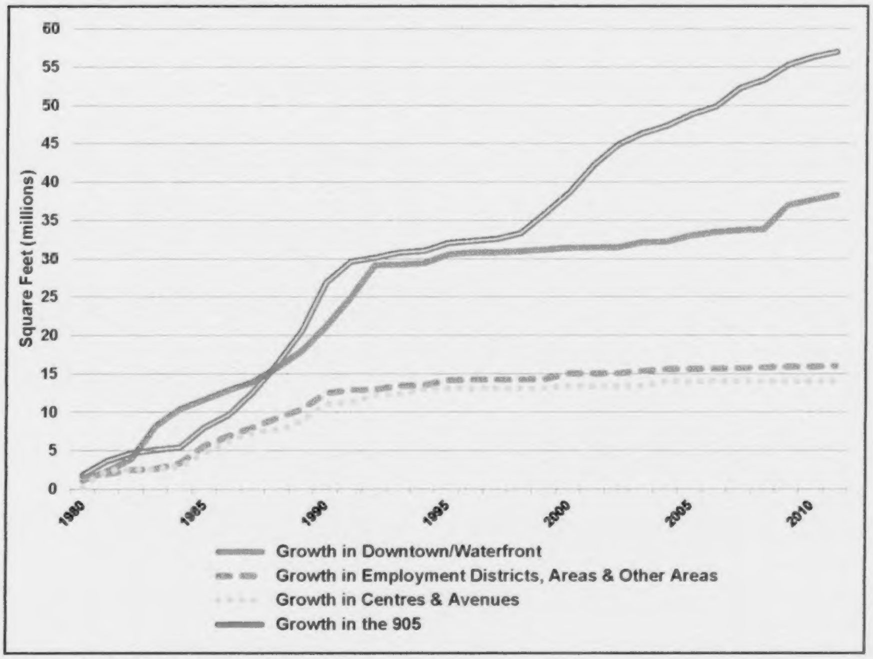
Employment growth in office space in the city has largely been enabled by conversion of some 12 million sq. ft. of "Brick and Beam" space in the King-Spadina and King-Parliament areas. This supply is largely consumed, and has been under increasing pressure from competing high rise residential development.

---

[2] Also here referred to as industrial employment areas – lands in Employment Districts (including Business Parks) and Employment Areas as identified in the Toronto Official Plan where industrial uses are permitted. "Business Parks" is the term used to distinguish the more office-oriented Employment Districts in the Don Valley Corridor.

Supply of new "tower" office space has only recently emerged. Current announcements indicate that this form of larger scale space will continue to come to market over the next ten to twenty years, but Toronto has lost the mid-scale modules to the 905.

Figure F: Growth of Office Space – Toronto vs. the 905



Source: Real Estate Search Corporation.

Office tenants needing new buildings in the size range plentiful in the 905 can still only find them there. The challenges created by residential price competition for land, high city taxes, construction cost frictions and over-long approvals timelines limit Toronto's ability to attract new office growth outside the financial core.

Enabling such growth is seen as critical to supporting forecast and potential office employment growth, balancing population growth in the downtown and mitigating potential impacts from out-commuting from new units in the Downtown and Central Waterfront. As illustration, if the 30,500 units in the approvals pipeline described earlier generate say 49,100 people at the 2006 downtown apartment persons per unit factor, and a labour force of about 37,200 people of whom 75% are employed in office buildings, it would take roughly 5.4 million sq. ft. of office space to balance those new residents with new jobs. If and when built, these pipeline units will largely be in addition to the 48,000 new units built south of Bloor Street over the 2000 - 2010 period.

A similar balance concern arises with the city's Centres. Notwithstanding different combinations of subway, SRT GO Rail and surface transit transfer nodes, each has failed to respond to planning permissions and fulfill office employment growth expectations. The reasons for this are uncertain but include lack of tenant market interest and higher returns to residential development. These will challenge the search for effective solutions to balanced attainment of Growth Plan density targets for these designated Urban Growth Centres.

Toronto's auto-oriented business parks in the Don Valley Parkway corridor are also challenged to attract larger tenants, or competitive rents.

- **Toronto's growth in retail and service space has largely occurred on the edges of employment areas, but new more-mixed use models are emerging:**

Retail and service employment is an important component of the city's employment base, representing almost a quarter of the city's total employment. These jobs are distributed throughout the city with clusters in the Downtown, along Avenues, Mixed Use Areas, and at edges of Employment Districts. The largest portion (26%) of retail employment is located in the city's Employment Districts - "Industrial" areas, followed by Avenues (24%), and Mixed Use Areas Outside Avenues (21%). The largest portion of service employment is located in the Downtown and Central Waterfront area (30%), followed by Employment Districts "Industrial" (24%), and the Avenues (22%).

Recent development trends in the Downtown include smaller sized and "urban format" supermarkets, and various stores, services, and restaurants that cater to the convenience and day-to-day needs of the residential population and office employment population in the Downtown. Development of open-air centres has characterized development trends of the last ten years, many of which are located at the edge of Employment Districts that front onto major streets.

Development applications illustrate the continuing interest for new retail and service commercial development in the Downtown and Central Waterfront area and Employment Districts "Industrial", particularly for larger sites on arterial roads.

Toronto currently has less retail and service space per capita across the shopping centre, "big box" and power centre categories relative to other municipalities in the GTA. The city has a substantially greater portion of its retail and service space along commercial strips.

This suggests demand and opportunity for higher order comparison and shopping centre type retail and service uses to service Toronto today. Population growth will concomitantly increase the need and opportunity for additional retail and service space in the years ahead.

- **Toronto's Institutional Areas continue to grow jobs through intensification within their sites:**

Toronto's Institutional sector was the city's largest job growth engine over the 2001 to 2011 period, generating over 43,000 jobs. Roughly a third were added through intensification on existing designated Institutional sites. Hospital expansions outweighed college and university expansions by a factor of roughly 2:1. This performance highlights the importance of their respective land bases to these institutions and their future growth potential.

FUTURE GROWTH – Future employment growth potential is substantial, and will bring increasing competition for a finite land base.

The *Planning for Employment Uses in Toronto* study considered demand side forecasts and the supply side land inventory as input to the City's Municipal Comprehensive Review.

- **Employment forecasts show substantial office employment growth may be attainable – IF the right pieces are put in place:**

To understand the range of space and land needs to be accommodated or enabled by planning policy, the study undertook two sets of forecasts. The first generates population and employment growth estimates corresponding to the figures established in Schedule 3 of the Growth Plan (2006). The second aligns with June 2012 population forecasts prepared by the Ontario Ministry of Finance (MoF)[3]. The Growth Plan (GP) forecasts currently extend to 2031. They are under review, and will be extended to the 2036 if not 2041 horizon.

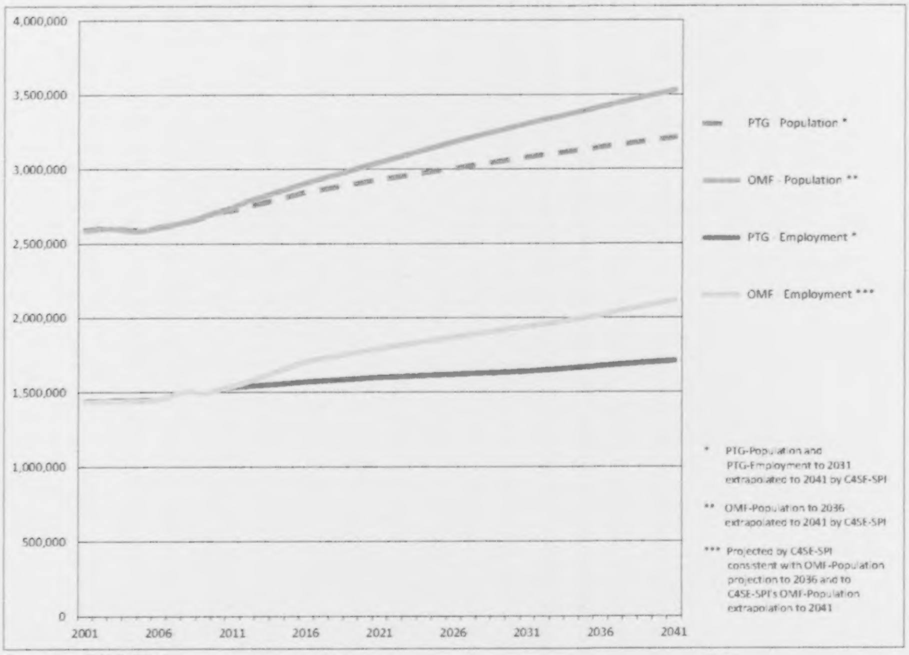
The population and employment growth arcs for each are shown in Figure G and summarized in Figure H. The High forecasts highlight a prospect for 300,000 more jobs than as described by the Growth Plan at 2031. This potential increases to growth of 477,000 jobs by 2041. It must be stressed that these larger growth increments represent potential. They can be met only if the larger economy performs at expected levels AND the City puts the requisite land use planning policy, transit investment and economic development pieces together.

Growth forecasts by sector for the Low and High forecasts are shown for the 2031 horizon in Figure I. They show a high expectation for job growth in the health care and social assistance sector, driven by the needs of an aging population. From a wealth generation perspective, it is clear that future growth will be concentrated in office space (in the finance, professional and other business services sectors) and will require a supply stream of such space if the jobs are to land in the city. By their nature, most of these jobs would be seeking space in and near the Downtown and Central Waterfront, and in the Centres and Business Park clusters IF these latter areas can become more compelling to office tenants and developers. The importance of office sector jobs to employment

---

[3] The MoF forecasts address population only, and stop at the 2036 horizon.

Figure G: Projected City of Toronto Population and Employment 2001 to 2041



Source: C4SE-SPI.

Figure H: Summary of Population, Employment and Job Space Growth Forecasts

	2011 (Estimate)	2031		2041	
		Low	High	Low	High
Population	2,722,100	3,080,000	3,305,500	3,210,000	3,528,900
Growth after 2011		357,900	583,400	487,900	806,800
Employment	1,532,700	1,640,000	1,941,000	1,710,000	2,116,800
Growth after 2011		107,300	408,300	177,300	584,100
Growth in Employment Space Requirements from 2011 (millions of sq. ft.)					
Office Space* - C4SE Projection		**7**	**29**	**11**	**42**
Office Jobs Growth		*37,900*	*146,200*	*56,900*	*216,900*
Office Space* - RESC Projection		**21**	**44**	**31**	**71**
Office Jobs Growth		*105,100*	*225,600*	*158,500*	*364,600*
Industrial Space*		**11**	**31**	**18**	**44**
Retail & Service Space*		**11**	**23**	**15**	**32**

* Job space is described as Net Rentable Area for office space (convertible to Gross Floor Area by dividing by 0.85), Gross Floor Area (GFA) for industrial space, and Gross Leasable Area (GLA) for retail and service space. Retail and service GLA/GFA ratios vary with form.

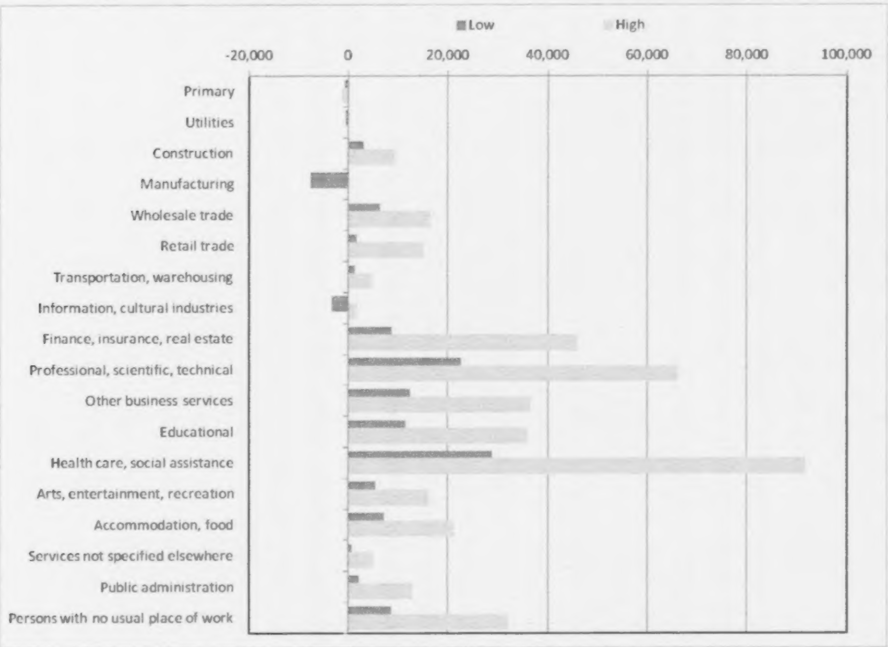
Source: Centre for Spatial Economics-Strategic Projections Inc., Real Estate Search Corporation, Cushman & Wakefield, Malone Given Parsons Ltd.

growth led the study team to consider both forecast (C4SE-SPI) and trends-based projections (RESC) of potential office space requirements (Figure H). The latter were adopted as providing a better indication of upside potential growth, transportation capacity permitting.

- **Translation of job growth potential to space and land needs highlights competition for a bounded and finite land base:**

The study converts employment forecasts to estimates of space and related land needs to accommodate it. These land area requirements are then allocated to different parts of the city's employment-supporting land base, in accordance with their functional requirements and expected growth patterns to compare future demand to the current land supply.

Figure I: Projected City of Toronto Job Growth by Major Industry 2011 to 2031 (High and Low Alternatives)



Source: C4SE-SPI

Several qualifications about the process and its outcomes are necessary:

- The demand forecasts themselves and the resulting space and land estimates are based on a number of assumptions that may or may not be realized – the numbers they generate are inherently inexact. The supply side estimates of vacant land are also subject to their own measurement and stale-date errors. The results do however illustrate the magnitude and implications of forecast growth potential, and provide a reasonable basis for comparison to what is known about the available land base for growth;

- Ultimately, the most fundamental characteristics of the city's employment land base are that it is largely built-out, and distinctly finite. Toronto's is a mature urban economy, in a municipality bounded by its borders with others and by Lake Ontario - there are essentially no opportunities to expand the land base;
- While some vacant green- and brownfield lands do remain (with varying requirements for services extensions), the city will soon be bumping up against the frictions that act to keep some proportion of the vacant land base off the market for the longer term – the effective vacant land inventory is smaller than suggested by the raw count.

Land needs for industrial, office, retail & service and "community at large" institutional uses are summarized in the top left portion of Figure J on the next page. The top right portion shows the vacant land inventory as estimated for 2011, by type and locality.

The middle portion of Figure J parses the city's employment typology into three functional groupings, matched with their respective vacant lands inventories and the uses considered most likely to seek locations in those groupings. Land needs by major sector at 2031 and 2041 are then allocated to each of the A, B and C functional types in the bottom part of the figure.

The allocations should be interpreted as more illustrative than definitive – they are intended to generally outline the nature and magnitude of demand for a finite resource, as a starting point for decisions about how to best manage the employment supporting land base. The supply deficits in most scenarios lead to the following conclusions:

1. The city's boundedness means it will run out of available vacant land for new industrial employment between 2031 and 2041, if not earlier given the frictional vacancy noted above. Past that effective build-out, new industrial development will require redevelopment of currently occupied lands;

2. Employment growth in the city will be accommodated through a combination of absorption of still vacant lands, and redevelopment of currently occupied lands, with substantial overlap and competition for the same lands. The vertical stacking of retail on itself or under residential and office uses will have to become more common;

3. In terms of wealth-generating employment, preservation of site opportunities for future office uses is the highest leverage strategy. It has the smallest land area commitment, but will only work where conditions

are appropriate - clusters with transit connectivity/proximity to others in amenity-rich mixed-use settings. Major office towers are not expected to seek locations outside the financial core;

Figure J: Land Needs and Supply by Functionality

Land Needs (ha): 2011 - 2031/41

	2031		2041	
	Low	High	Low	High
Industrial	260	709	424	1,021
Office	28	58	41	94
Retail & Service	290	430	380	640
Institutional	300	520	480	850
Total	**878**	**1,717**	**1,325**	**2,605**

Vacant Lands (ha) - 2011

Locality	**ha**
Downtown & Central Waterfront	113
Downtown & Central Waterfront - Parking Lots	32
Centres	34
Employment District - "Industrial"	625
Employment District - "Business Park"	18
Employment Areas outside Districts	61
Avenues	69
Total	**951**

Land Needs & Supply Parsed by Functionalities

Place/Functionality Types	**Vacant Supply**	**Potential Uses**
A. Employment Districts - "Industrial", Employment Areas	686	Industrial + Mid-Size Office, Retail & Service, Limited Institutional
B. Downtown & Central Waterfront, Centres, Business Parks	196	Tower & Mid-Size Office + Retail & Service, Institutional, Industrial
C. Avenues (+ Mixed Use Areas Outside of Avenues, and Other areas	69	Mid-Size Office, Retail & Service, Institutional
Total	951	

Land Needs vs. 'A' Lands Supply (hectares)		2031		2041	
		Low	High	Low	High
Supply		**686**	**686**	**686**	**686**
Needs					
Industrial @	98%	255	695	416	1,001
Office @	3%	1	2	1	3
Retail & Service @	35%	102	151	133	224
Institutional @	15%	45	78	72	128
Total		**403**	**926**	**622**	**1,356**
Surplus/(Deficit)		**283**	(240)	**64**	(670)

Land Needs vs. 'B' Lands Supply (hectares)		2031		2041	
		Low	High	Low	High
Supply		**196**	**196**	**196**	**196**
Needs					
Industrial @	2%	5	14	8	20
Office @	90%	25	52	37	85
Retail & Service @	35%	102	151	133	224
Institutional @	30%	90	156	144	255
Total		**222**	**373**	**322**	**584**
Surplus/(Deficit)		(26)	(177)	(126)	(388)

Land Needs vs. 'C' Lands Supply (hectares)		2031		2041	
		Low	High	Low	High
Supply		**69**	**69**	**69**	**69**
Needs					
Industrial @	0%	0	0	0	0
Office @	7%	2	4	3	7
Retail & Service @	30%	87	129	114	192
Institutional @	55%	165	286	264	468
Total		**254**	**419**	**381**	**667**
Surplus/(Deficit)		(185)	(350)	(312)	(598)

Source: Malone Given Parsons Ltd., Cushman & Wakefield, Real Estate Search Corporation, The Centre for Spatial Economics - Strategic Projections Inc.

4. High wealth and job-generating but much more land extensive industrial employment uses have the fewest options for finding acceptable sites – preserving existing employment sites needs to be an ongoing priority in planning for the city's prosperity and competitiveness;
5. Given the pending build-out of its industrial employment lands, the City needs to manage core areas of that land base with a view to preserving its wealth creating functions for the long term. That said, outside of core areas, there will continue to be instances (e.g., orphaned parcels, surrounding land use change) where transition to an alternative use may be a reasonable planning decision, particularly where it might leverage more employment space. The key focus needs to be on preservation or enhancement of existing employment functionality and capacity.

POLICY RECOMMENDATIONS – focus on industrial land base preservation and targeting office growth. Success will require integration of planning policy, transit investment and economic development initiatives.

The study undertook five Case Studies to inform its analysis and policy recommendations. Key observations from those studies are a helpful segue to a summary statement of policy themes, and the recommendations themselves.

From *Employment Linkages*:

- Preservation of existing manufacturing employment and industrial employment lands and accommodating/attracting office sector employment are the highest leverage strategies the city can pursue for securing its ability to generate job growth and wealth.

From *Managing the Impacts of Land Value Differentials in Land Use Change*:

- Planning decisions need to be grounded in sustainable city-building and consideration of economic, fiscal, social and environmental objectives;
- Certainty about the rules and consistency in applying them are central to giving clear signals to the urban land market.

From *Maintaining Employment Opportunities in the Face of Land Use Change*:

- Preservation of industrial lands requires clear definition of intentions and boundaries;
- The need to specifically target a continued supply of well-located office space is being recognized in new planning directions in such other global cities as Vancouver, London and Sydney.

From *Amenitization and Multi-Functionality*:

- The mixed-use model integrating residential, retail and office if not industrial uses has become the "go to" ideal for urban redevelopment, particularly around transit stations;
- Enabling mixed uses along higher-order transit-served edges of business parks with office densities could re-vitalize their otherwise flagging market attractiveness.

From *Challenges to Vertical Stacking of Multiple Uses*:

- Differing structural requirements and market cycles heighten the potential risks to vertically mixed projects with more than two elements (e.g., residential above office above retail). While they can be encouraged, they should not be specifically required;
- Policy for larger parcels in appropriate settings should consider requiring the horizontal integration of mixed uses.

- **The context, situation analyses and the growth forecasts identify five themes shaping directions for policy:**

The foundation analyses for the study lead to the following conclusions about the directions planning policy for employment uses need to pursue:

- **Planning policy for employment uses needs to change with the evolving economy;**
- **Employment policy needs to deliver office space production in dense mixed use areas with higher order transit service;**
- **Industrial activity and the land base upon which it depends continue to need to be nurtured;**
- **Retail, service and institutional uses will generate significant employment growth and will need to be accommodated in a variety of community-serving locations and forms;**
- **A new employment strategy is required to realize the potential to bring 200,000 + more office jobs to the city than indicated by a "business as usual" path over the period to 2041.**

A new policy direction, complementing that in place today, will secure the city's competitive position in the GTA. Fulfilling office growth potential, in concert with other policy improvements, will secure significant job growth, enable balanced intensification, create additional wealth and expand top-line tax revenues – all to the benefit of Toronto's prosperity.

- **Planning policy, transit investment and economic development strategies should be three pieces of an integrated whole:**

- **Economic Development strategies have to connect to the ground:**

Economic development strategies have long recognized the need for space to accommodate new growth in industrial, institutional and office based clusters. The barriers posed by such issues as the City's tax rates, approvals timelines and land price competition from residential development have been recognized. The creation of new employment space is becoming an outcome targeted for its ability to house growing employment sectors and generate increased tax revenues.

The elements still missing though, and which may emerge from the City's in-development *Economic Growth Plan, 2012 -2014*, are specific targets for job or space generation, and strategies and tactics to overcome barriers and enable the continued supply of job space, particularly new office job space. These are a necessary part of an integrated and aligned growth strategy, and are expected to be informed in part by the conclusions and recommendations of this study.

- **Transit planning needs better integration with employment growth needs:**

Current transit plans are largely focused on aligning transit implementation in accordance with the policies of the Growth Plan, to serve the Urban Growth Centres and feed the Yonge Street spine. There is a risk that this will not provide the connectivity to the employment spaces required to meet the growth projections of this report or the clustering requirements of the desired mix-use outcome.

Office clusters in intensified environments require higher order transit ("major transit" as defined in the Growth Plan) to facilitate the efficient movement of people to and from work. To achieve growth expectations or potentials over the next 30 years, a coordinated approach to the preservation of office employment land in transit friendly locations is paramount to success. Building transit without connection to these proven clusters will not create the necessary growth for the clusters or deliver adequate ridership for the transit. Planning for growth clusters without transit support is equally risky.

Planning for employment growth must be integrally linked with final definition of a transit plan for Toronto, and with current high order transit nodes and stops.

- **Planning policy for employment, transit planning and economic development strategies are three pieces of one puzzle:**

Strengthening integral linkages between planning policy, transit planning and economic development initiatives will be critical to the city's competitiveness. Attracting office employment needs to be positioned as a key economic development priority, with policy and programme support to ensure timely approvals processes in established clusters. Policy must level the economic playing field by balancing the apparent risks and rewards for office vs. residential uses through no net loss and leveraged employment space provisions, capacity targets, reduced parking standards and higher density permissions where higher order transit service is or will be available. Transit planning must serve existing concentrations and require the creation of new concentrations on new routes. Each piece of the puzzle is necessary to creating the employment growth engine.

Key Policy Directions

The study's policy recommendations articulate four over-arching themes:

1. **Integrate long range plans for transit, land use and economic policy to enable the city to develop intensified office employment clusters in mixed use environments, with capacity for up to 70 million new sq. ft. of office space by 2041;**
2. **Continue to protect industrial lands and existing industrial uses from uses that conflict with their functionality;**
3. **Continue to provide a variety of places for growth in the retail, service and institutional sectors;**
4. **Follow through on the Growth Plan direction targeting major transit station areas for intensification.**

The themes and their recommendations extend across several of the Toronto Official Plan's (OP) policy areas. The recommendations are outlined below:

- **Office space needs a better playing field and capacity targets:**

It appears likely that new office tower space development opportunities in and near the financial core are sufficient to sustain demand for the growth of the financial core's main business sector – Financial Services - as long as those sites remain available and economically viable. This sector has been growing at the rate of 650,000 sq. ft. per annum and represents the "business as usual" case.

New buildings in the 20,000 to 250,000 sq. ft. size range located in other proven office employment clusters is the market segment Toronto has been losing to the

905. Creating the conditions on the ground to facilitate change in this sector will enable the city to meet the growth potential and diversity of employment functionality projected in this report. As described in Figure H, the gap between potential and status quo office space and jobs growth amounts to roughly 22 million sq. ft./120,000 jobs at 2031, growing to as much as 40 million sq. ft./200,000 jobs by 2041. Bridging this gap at least in part will be necessary to balancing potential population growth with job space growth.

Businesses today plan their growth over shorter and shorter time periods. They must react quickly to global competition, product changes, technology shifts and other forces that require new or changed facilities.

Toronto, like other global cities, must recognize that competitive success requires enabling businesses to realize their real estate needs on much shorter decision cycles. The growth of business in isolated business parks in the suburban 905 areas allowed for rapid response to business needs when developed urban areas like the City of Toronto did not. The challenge for the city is to create the conditions where buildings can be built in mixed use clusters on competitive timelines. The critical element is the creation of certainty/reduction of risk attached to outcomes of the planning approvals process and the creation of "development ready" sites. New policy should consider clear permissions and specific capacity targets, with allocations to those areas ultimately considered most optimal, as identified in concert with transit planning. Capacity targets should enable achieving the 40 million sq. ft. potential described above.

Recommendations:

For office uses generally across the city:

1. Create policy with supporting review and decision processes enabling and committing to a less than three year development cycle for all office development;
2. Consider reduced parking standards and higher density permissions for new office development along existing or new transit routes;
3. Ensure that new transit route planning is linked with established office clusters and potential new clusters with economic and planning conditions that meet the competitive demands of employers;
4. Consider identifying office clusters with minimum target densities and capacities along existing or new major transit routes proximate to but outside the Downtown and Central Waterfront area, and within 500 m of all major transit stations to generate mid-sized competitively priced office development.

5. Consider the role of Development Permit Systems or pre-zoning in providing certainty and expediting development approvals;

In the Downtown & Central Waterfront area:

1. Add new policy providing that no net loss in employment space be permitted through site redevelopment;
2. Consider identification of an expected minimum jobs space component for development of parcels above a threshold footprint size;
3. Ensure an adequate allocation of office employment requirements to the Downtown and extended areas to achieve the goal of delivering 70 million sq. ft. of new office space by 2041.

- **Centres need broader solutions for balanced intensification:**

The city's Centres – Yonge-Eglinton, North York, Etobicoke and Scarborough – are all located on subway/SRT routes at multi-modal nodes. They have largely failed to fulfill employment growth expectations for 25 years, for reasons that remain uncertain – neither planning permissions nor transit (by and large) have been the constraint. Location, land economics and perhaps an absence of a more directive planning framework appear to be the contributing factors. The Centres are also subject to continued pressure for residential vs. office development.

Recommendations:

1. Consider specific study to better understand the reasons behind the lack of office investment in Centres, and the likely nature of more effective planning and stimulus/incentive programs;
2. If targeted programs make them appear achievable, allocate office space targets to the Centres in keeping with achievement of the 40 million sq. ft. target for the city by 2031.

- **Business Parks need to integrate transit and amenitization*:***

Office concentrations in the city's business parks evolved in a car-oriented era. They lack pedestrian-oriented amenities, do not sustain strong rents, and are not attracting new office growth. Some have arterial edges that are slated to become higher order LRT transit routes.

It is thought that permissions for mixed use re-development, including residential on at least parts of those edges, may leverage new office development, bring walkable street-level vitality and elevate the market attractiveness of these areas.

Core industrial lands, where present, would have that function protected from change.

Recommendations:

1. Consider a new business park-specific designation that would permit conversions of parcels fronting higher order transit-served arterial edges to mixed use residential development with minimum office and street-oriented retail components;
2. Create policy with supporting review and decision processes committing to a less than three year development cycle for all office development;
3. Consider policy expressly lodging responsibility for costs for mitigating impacts of new non-industrial uses on existing uses with the redeveloper;
4. Consider the study of economic development stimulus/incentive programs (e.g., reduced parking standards, increased densities, bonusing, shorter approvals cycles, TEIG's) to enhance their attractiveness for office development when no conversion to residential is being proposed.

- **Industrial lands policy must continue to protect core areas:**

Toronto's Employment Areas will continue to be significant contributors to the city's wealth. Their core lands must continue to have certainty about being protected from the risk of conflict with residential and other sensitive uses. Existing permissions for retail uses on selected edge arterials implies competition for a land base with relatively little vacancy and no opportunities for further expansion. This reinforces the need to protect core areas to 2031 and beyond.

Many of the city's Employment Areas are arrayed along rail routes and major roads that may support new transit investment. It will be important to carefully consider how best to optimize transit and nodal development while preserving as much as possible of the affected industrial area's abilities to continue to generate wealth.

Recommendations:

1. Continue to preclude residential and other sensitive uses from locating in Employment Areas;
2. Restrict major retail and other non-industrial development permissions in Employment Areas to only the arterial edge locations to preserve core areas for industrial uses;
3. Consider policy expressly lodging responsibility for costs for mitigating impacts of new non-industrial uses on existing uses with the redeveloper;

4. Consider a special study program to define appropriate intensification areas within 500 m of major transit stations within or adjacent to Employment Areas.

- **"Employment Areas" have the same protection and mitigation requirements as Employment Districts:**

Lands with the Employment Areas designation and no overlying Employment District identification on the Official Plan's Map 2 have been interpreted to be less protected from conversion pressures under the Growth Plan and related policies. There is no reason for this to continue past this OP review

Recommendations:

1. Remove any distinction between Employment Areas and Employment Districts in the updated OP, and treat all lands within the combined designation in the same manner as described above for Employment Areas.

- **Avenues and Mixed Use Areas need to accommodate continued intensification:**

Toronto's Avenues are intended to support intensification balanced with the protection of adjoining neighbourhoods. Mixed Use Areas outside the Avenues fulfill similar functions, but are not specifically targeted for further study and redevelopment. This study's growth forecasts make it clear that both areas will be subject of significant pressures to accommodate new residential and community-serving uses.

Recommendations:

1. Implement the Avenue and Mid-Rise Buildings Study as adopted by Council through a development permit approval system or new as-of-right zoning to enable intensification without individual applications;
2. Provide higher intensity permissions at major intersections in both Avenues and Mixed Use Areas; and
3. Integrate planning for employment uses, mobility hubs, intensification corridors and new higher order transit routes where the latter occur on or intersect Avenues.

- **Institutional uses need to maintain their land base and be accommodated in mixed use areas:**

Institutional uses, particularly health services for an aging population, are expected to experience very strong employment growth. Sites currently designated for major academic and hospital uses need to maintain their capacity to intensify. New population-serving medical, seniors care and related uses will need to be accommodated in Avenues and mixed use areas.

Recommendations:

1. Amend policy to more strongly recognize the ongoing need to maintain a land base for expansion (largely through intensification) for the city's major institutional uses and to discourage conversion to permanent non-institutional uses;
2. Identify as an important economic development requirement the retention in public ownership of all lands presently owned by the public sector adjacent to or in proximity to institutional lands to maintain their expansion/intensification potentials.
3. Consider seeking amendments to the Provincial planning framework to ensure that major institutional areas are identifiable as "areas of employment", and deem them as such in OP policy; and
4. Amend policies to articulate the strong need for and encouragement of homes for the aged and nursing homes in all designations that permit them, at scales compatible with their built and planned context.

This page is intentionally blank.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

1.0 INTRODUCTION 1-1
1.1 The study report is presented in five sections 1-1

2.0 THE PLANNING CONTEXT 2-1
2.1 Provincial planning policy for employment uses is not focussed on the urban mixed use setting 2-1
  2.1.1 The Growth Plan defines growth forecasts and density targets, but does not specify an employment share for Urban Growth Centres 2-1
  2.1.2 Preservation of employment lands has been the dominant theme in planning for employment uses 2-2
2.2 The city's downtown and employment areas generate over 90% of its wealth 2-5
2.3 The residential assessment base is growing more than the non-residential 2-9
2.4 Residential unit growth is concentrated in the downtown 2-10

3.0 SITUATION ANALYSIS 3-1
3.1 Toronto's employment geography has several dimensions 3-1
  3.1.1 The city's employment localities are described by current Official Plan designations 3-2
  3.1.2 The Downtown & Central Waterfront area supports the city-region's largest employment concentration 3-4
  3.1.3 Employment diversity is central to the city's prosperity 3-6
3.2 Functional requirements drive the geography of employment places 3-7
  3.2.1 Toronto's industrial space inventory and lands continue to show real strength 3-10
  3.2.2 Toronto's ability to sustain a continued supply of a mix of new office space is uncertain 3-16
  3.2.3 Toronto's growth in retail and service space has largely occurred on the edges of employment areas, but new more mixed use models are emerging 3-24
3.3 The city's Institutional Areas continue to grow jobs through intensification 3-30
3.4 Toronto is nearly out of vacant land, and can't expand 3-30
3.5 SWOT's of Toronto's Employment Typology 3-38

4.0 FUTURE GROWTH 4-1

4.1 The projections consider two growth arcs and extend to the 2041 horizon 4-1
  4.1.1 Toronto's future employment growth will be concentrated in office and health-based sectors 4-3
4.2 Employment growth requires new employment space, most of it in in mixed use settings 4-6
  4.2.1 Industrial productivity and employment growth will continue to require a land base 4-6
  4.2.2 Office employment forecasts show substantial growth may be attainable – IF the right pieces are put in place 4-13
  4.2.3 Population growth will bring need and opportunity for substantial new retail and service space 4-23
  4.2.4 Population growth and aging will bring substantial need for institutional uses providing care to the more elderly 4-32
4.3 Comparison of land needs to vacant land supply highlights competition for a bounded and finite resource 4-33
  4.3.1 Core place-based needs for major employment sectors must be considered 4-34
  4.3.2 The vacant land inventory is not as deep as it appears 4-35
  4.3.3 There is more land demand than there is vacant supply 4-35
4.4 Planning for transit cannot be separated from planning for employment uses, intensification and wealth generation 4-38

5.0 POLICY DIRECTIONS 5-1

5.1 Case study explorations of issues and other jurisdictions' policy approaches help focus directions 5-1
5.2 The context, situation analyses and the growth forecasts outline five themes shaping directions for policy 5-3
5.3 Planning policy, transit investment and economic development strategies should be three pieces of an integrated whole 5-3
  5.3.1 Economic Development strategies have to connect to the ground 5-3
  5.3.2 Transit planning needs better integration with employment growth needs 5-4
  5.3.3 Planning policy for employment, transit planning and economic development strategies are three pieces of one puzzle 5-4
5.4 Policy recommendations address key considerations and desired outcomes for Toronto's employment uses typology 5-5
  5.4.1 Office space needs a better playing field and capacity targets 5-5
  5.4.2 The Downtown and Central Waterfront area needs to balance population growth with employment growth 5-8
  5.4.3 Centres need broader solutions for balanced intensification 5-9
  5.4.4 Business Parks need to integrate transit and amenitization 5-10
  5.4.5 Industrial lands policy must continue to protect core areas 5-11

5.4.6 Employment Areas have the same protection and mitigation requirements as Employment Districts 5-13
5.4.7 Avenues and Mixed Use Areas Outside of Avenues need to accommodate continued intensification 5-14
5.4.8 Institutional uses need to maintain their land base and be accommodated in mixed use areas 5-15
5.5 The Official Plan's current policy framework is compared to desired outcomes to specify recommended directions 5-16

APPENDIX 1: POPULATION AND EMPLOYMENT FORECASTS 2011-2041

1.0 Introduction A1-1
2.0 Foundations – Employment Trends in the GTA and Toronto A1-3
3.0 Employment Forecasts to 2031 and 2041 ..... A1-15
4.0 Office Employment in the GTA and the City of Toronto A1-33

APPENDIX 2: CASE STUDIES

Case Study 1: The Nature and Importance of Industry and Employment Linkages in Toronto A2.1-1
Case Study 2: Managing the Impacts of Land Value Differentials in Land Use Change A2.2-1
Case Study 3: Maintaining Employment Opportunities in the Face of Land Use Change A2.3-1
Case Study 4: Amenitization and Multi-Functionality A2.4-1
Case Study 5: The Challenges to Vertical Mixing of Multiple Uses A2.5-1

APPENDIX 3: TORONTO'S EMPLOYMENT GEOGRAPHY

3A Citywide Overview

A.1 Toronto's Employment Trends and Geography A3.A.1-1
A.2 Industrial Space Profile A3.A.2-1
A.3 Office Space Profile A3.A.3-1
A.4 Retail and Service Space Profile A3.A.4-1

3B Downtown and Central Waterfront

3C Centres

C.1 Yonge Eglinton Centre A3.C.1-1
C.2 North York Centre A3.C.2-1
C.3 Scarborough Centre A3.C.3-1
C.4 Etobicoke Centre A3.C.4-1

3D Employment Districts – "Industrial"

D.1 Northwest Etobicoke A3.D.1-1
D.2 Rexdale A3.D.2-1
D.3 South Etobicoke A3.D.3-1
D.4 Highway 400 Corridor A3.D.4-1

D.5 Weston Road_Junction A3.D.5-1
D.6 Liberty A3.D.6-1
D.7 South of Eastern A3.D.7-1
D.8 Dufferin Keele North A3.D.8-1
D.9 Dufferin Keele South A3.D.9-1
D.10 Leaside A3.D.10-1
D.11 Bermondsey A3.D.11-1
D.12 Milliken A3.D.12-1
D.13 Tapscott Marshalling Yard A3.D.13-1
D.14 Scarborough Hwy 401 Corridor A3.D.14-1
D.15 West Central Scarborourgh A3.D.15-1
D.16 South West Scarborough A3.D.16-1
D.17 South East Scarborough A3.D.17-1
D.18 Airport Corporate Centre A3.D.18-1

3E Employment Districts – "Business Park"

E.1 Consumers Road A3.E.1-1
E.2 Don Mills A3.E.2-1
E.3 Lesmill A3.E.3-1
E.4 Woodbine Steeles VP A3.E.4-1

3F Employment Areas Outside of Employment Districts

F.1 Junction A3.F.1-1
F.2 Lansdown Ave A3.F.2-1
F.3 Danforth Rd A3.F.3-1
F.4 Railside A3.F.4-1
F.5 Thorncliffe A3.F.5-1

3G Avenues
3H Mixed Use Areas Outside of Avenues
3I Institutional Areas
3J All Other Areas

LIST OF FIGURES

Figure 2.1: Total Employment in the GTA by Place-of-Work in 2006 by Major Industry Export Based Employment in Toronto and the Rest of the GTA 2-6
Figure 2.2: City of Toronto Major Industry Groups - Real GDP per Worker and Indirect Jobs per 1,000 Direct Jobs 2-6
Figure 2.3: Total and Export-Based Wealth Generation ($GDP) by NAICS Sector 2-7
Figure 2.4: The Geography of Export-Based Wealth Creation in Toronto 2-8

Figure 2.5: Comparative Residential, Industrial and Office Commercial Tax Rates 2-9
Figure 2.6: Assessment and Revenue Balance, 2002 vs. 2010 2-10
Figure 2.7: Residential Development Applications in the City of Toronto 2-11

Figure 3.1: Toronto's Employment Space Typology 3-3
Figure 3.2: Toronto's Employment Geography by Urban Structure Typology and Major Sector, 2011 3-5
Figure 3.3: Toronto's Employment Geography by Urban Structure Typology and Major Sector, 2011 3-6
Figure 3.4a: Toronto's Employment Growth by Urban Structure Typology and Major Sector, 2001 – 2006 3-8
Figure 3.4b: Toronto's Employment Growth by Urban Structure Typology and Major Sector, 2006 – 2011 3-8
Figure 3.5: Employment by Sector – 2001, 2006, 2011 3-9
Figure 3.6: Inventory of Industrial Space – GTA 3-10
Figure 3.7: Industrial Inventory Vs. New Supply 3-11
Figure 3.8: Industrial Vacancy Rates – GTA 3-12
Figure 3.9: Industrial Inventory – Year Built 3-12
Figure 3.10: Age of Manufacturing and Related Establishments, 2011 3-14
Figure 3.11: Building Permits for Industrial Uses, 2006 – 2010 3-15
Figure 3.12: Place of Residence for Employment in the Hwy 400 Corridor Employment District 3-16
Figure 3.13: The Distribution of Jobs in Office Buildings by Locality 3-17
Figure 3.14: Office Space in Toronto 3-18
Figure 3.15: Office Space in the Downtown and Central Waterfront Area 3-19
Figure 3.16: Office Growth in Toronto and the 905, 1980 – 2011 3-20
Figure 3.17: Office Space in Toronto and the 905, 2010 3-21
Figure 3.18: Growth in Office Space in Centres 3-23
Figure 3.19: Growth in Office Space in Employment Districts including Business Parks 3-23
Figure 3.20: Distribution of Toronto's Retail Employment 3-24
Figure 3.21: Distribution of Toronto's Service Employment 3-24
Figure 3.22: Retail and Service Employment in the City of Toronto, 2011 3-25
Figure 3.23: Shopping Centres in the City of Toronto by Size, Type, and Age 3-27
Figure 3.24: Supply of Retail and Service Space in Toronto vs. Other GTA Municipalities 3-29
Figure 3.25: Total Vacant and Occupied Land Areas and Job Densities 3-32
Figure 3.26: Toronto's Stock of Occupied and Vacant Lands in Employment Localities 3-33
Figure 3.27: Parcel Size Distribution for Vacant Lands in Employment Localities 3-35
Figure 3.28: Parking Lot Sites and Parcel Sizes in Toronto's Downtown & Central Waterfront Area 3-36
Figure 3.29: Toronto's Stock of Occupied and Vacant Office Space – Office Space Summary – By Employment Area (2011) 3-37
Figure 3.30: Toronto's Stock of Occupied and Vacant Industrial Space – Industrial Space Summary – By Municipality (2011) 3-37
Figure 3.31: SWOT's Assessment of Toronto's Employment Localities 3-39

Figure 4.1: Summary of Population and Employment Projections 4-2
Figure 4.2: Projected City of Toronto Population and Employment 2001 to 2041 4-3
Figure 4.3: City of Toronto Total Population and Employment by Industry - Actual Data 2001, Estimated Data 2011, Projected Data 2031 and 2041 4-4
Figure 4.4: Projected City of Toronto Job Growth by Major Industry 2011 to 2031 (High and Low Alternatives) 4-6
Figure 4.5: Industrial Land and Space Demand Projections – Low 4-9
Figure 4.6: Industrial Land and Space Demand Projections – High 4-10
Figure 4.7a: Low and High Projection Total Jobs, Office Jobs and Office Space: City of Toronto 2011 and 2031 4-14
Figure 4.7b: Low and High Projection Total Jobs, Office Jobs and Office Space: City of Toronto 2011 and 2041 4-15
Figure 4.8: 'Business as Usual' Office Growth 4-17
Figure 4.9: Trend Driven Office Growth 4-19
Figure 4.10: City of Toronto Additional Retail and Service Commercial Space Forecast to 2031 - Based on Low Population Growth Forecast 4-24
Figure 4.11: City of Toronto Additional Retail and Service Commercial Space Forecast to 2041 - Based on High Population Growth Forecast 4-25
Figure 4.12: Generic Commercial Structure 4-27
Figure 4.13: Illustration of Effective Land Allocation in 2031 4-29
Figure 4.14: 2006-2011 Census Population Growth: Downtown & Waterfront Area vs Other Areas of Toronto and Ontario 4-30
Figure 4.15: Land Needs for Non-Hospital Health & Related Services 4-32
Figure 4.16: Summary of Population and Employment Growth Forecasts 4-33
Figure 4.17: Land Needs and Supply by Functionality 4-36

Figure 5.1: Recommended Modifications to Employment Policies and Designations 5-17

1.0

INTRODUCTION

The study seeks to bring economic strategy perspectives to the Municipal Comprehensive Review.

1.1 The study report is presented in five sections

In accordance with requirements of the Planning Act, The City of Toronto is undertaking its first Five-Year Review of its Official Plan, as approved in June 2006. Two elements of that review address planning for employment uses, and fulfilling requirements for a Municipal Comprehensive Review. The latter is a prerequisite under the Growth Pan to making decisions about conversion of lands within employment areas to non-employment uses.[1]

This Planning for Employment Uses in Toronto study is intended to inform the city's review as it relates to employment policies and the role of lands supporting employment throughout Toronto.

It addresses several topic areas:

- Fundamentally, from a land use planning perspective, how should employment-related policies maintain and enhance Toronto's prosperity – its competitiveness, economic vitality and fiscal sustainability?
- What key elements of Toronto's operating environment need to be considered in planning for employment in the City?
- What are the current characteristics of Toronto's employment economy, and how are they trending? How do they connect to the land base supporting employment?
- What magnitude of growth and what sectoral patterns will need to be accommodated into the future?

---

[1] Per Growth Plan policy 2.2.6.5. Employment areas are defined in the Growth Plan as "*Areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.*" This definition is from the Provincial Policy Statement, 2005 and is essentially the same as that in the Planning Act.

- How can future employment space and land needs be fulfilled in the context of a bounded and finite land supply and an ever-evolving urban economy?
- What strategic directions respond to those needs and enhance sustainable competitive advantage?
- To what extent do current Official Plan policies respond to those directions, and what changes should be considered?
- What related elements are required for a comprehensive response to securing Toronto's economic success?

These questions largely define the organization of the study report:

Section 2.0 addresses the contextual elements considered most relevant to the study. These include the planning context, the geography of wealth generation, the city's residential /non-residential fiscal picture, and current prospects for growth in residential and employment space as indicated by development applications.

Section 3.0 describes the current employment situation, describing the regional context, the city's employment geography, growth trends by major sector as documented in the Toronto Employment Survey (TES), the city's inventory of vacant lands, and an assessment of the strengths, weaknesses, opportunities and threats (SWOT's) for the city's employment-supporting land types and localities.

Section 4.0 sets out growth forecasts to the 2031 and 2041 horizons as currently defined by the Growth Plan's Schedule 3 figures for Toronto (to 2031), and as modelled by the Centre for Spatial Economics. These drive estimates of built space and land requirements by major employment sector, and conclusions about land needs to the planning horizons. The section concludes with a discussion of how a Comprehensive Review of land needs under the Growth Plan can be addressed in the context of a mature and bounded urban economy.

Policy directions for consideration in the city's Official Plan Review are advanced in **Section 5.0.** The section outlines the outcomes considered important to target, the fit between those outcomes and the current Official Plan policy framework, and recommendations for adjustments to policy going forward.

The report itself draws from and summarizes more detailed material provided in a series of Appendices:

Appendix 1 provides the details of the alternative population and employment growth forecasts.

Appendix 2 provides a series of five case studies exploring different factors considered important to land use policy for employment:

- The Nature and Importance of Industrial and other Employment Linkages
- Managing the Impacts of Land Value Differentials in Land Use Change
- Maintaining Opportunities for Employment Uses in the Face of Land Use Change
- The Role of Amenitization and Multi-Functionality in Location Attractiveness
- Challenges to the Vertical Stacking of Mixed Uses.

Appendix 3 describes the types and patterns of employment and its trends over the 2001 to 2011 period at the city level, and provides summary profiles of trends and characteristics for Toronto's employment localities.

This page is intentionally blank.

2.0

THE PLANNING CONTEXT

The planning context and its imperatives are shaped by policy, the geography of wealth creation and the need for balanced growth.

This section describes key elements of the context influencing planning for employment uses in Toronto. It considers Provincial planning policy, the role and geography of export-based wealth creation in the city, fiscal relationships and the geography of future residential growth as described by the approvals pipeline.

2.1 Provincial planning policy for employment uses is not focussed on the urban mixed use setting

The context for planning for employment uses in the City of Toronto is defined by the Planning Act (R.S.O. 1990, as amended), The Provincial Policy Statement (2005) ("PPS"), the Growth Plan (2006)("GP"), by practise and by directions set by Ontario Municipal Board (OMB) decisions. This section summarizes key elements of that context.

2.1.1 The Growth Plan defines growth forecasts and density targets, but does not specify an employment share for Urban Growth Centres

The introduction of the Places to Grow Act (2005) and the Growth Plan itself in 2006 defined a new context for planning to accommodate growth. In addition to policies requiring intensification and the achievement of specified density targets, the GP now has the Province specifying growth forecasts for each single/upper tier municipality in the Greater Golden Horseshoe. These define the growth that each municipality must plan to accommodate. The GP's current Schedule 3 forecasts to the 2031 horizon for Toronto shows the city's population and employment increasing to 3.08 million and 1.64 million respectively by 2031. These figures equate to growth of roughly 348,000 residents and 107,000 jobs from 2011. The forecasts are under review, with new figures (if appropriate) and extension to the 2036 or 2041 horizon expected to be released for discussion in the fall of 2012 for approval in 2013.

A fundamental point of distinction between Toronto and its adjoining regions is that the city cannot extend its settlement boundaries to accommodate growth. Toronto must find room for growth forecast not only to 2031 within its current boundaries, but to 2041 and beyond. Given build-out of its land base, accommodating that growth requires redevelopment of existing buildings and sites rather than by greenfield expansion. This fact heightens competition for preferred locations, and price pressures on lands that might fulfill new growth requirements.

The GP's Urban Growth Centre (UGC) policies are part of the Plan's drive to promote intensification within built-up areas. UGC's are intended "to serve as high density major employment centres that will attract provincially, nationally or internationally significant employment uses" and "to accommodate a significant share of population and employment growth" among other planning requirements. Toronto has five UGC's, located in its downtown core and each of its Centres – North York, Yonge-Eglinton, Etobicoke and Scarborough. Each is to be planned to achieve a minimum density of 400 people and jobs per (gross) hectare, with the balance between the two not specified. The GP directs "major office[1]" uses to urban growth centres and to major transit station areas and other areas with frequent or higher order transit service.

2.1.2 Preservation of employment lands has been the dominant theme in planning for employment uses

The Planning Act clearly defines expectations for decision-making about economic and employment-related matters. The first element listed in its statement of purpose is "To promote sustainable economic development." Matters of identified provincial interest include "the adequate provision of employment opportunities", "the protection of the financial well-being of the Province and its municipalities" and "the appropriate location of growth and development". Matters of provincial interest related to questions of potential land use conflict include "the orderly development of safe and healthy communities", "the resolution of planning conflicts involving public and private interests", and "the protection of public health and safety".

---

[1] "Major Office" is defined in the Growth Plan as freestanding buildings of 10,000 m^2 or greater, or with 500 jobs or more.

One of the more contentious planning issues over the past twenty years has been the "conversion" of lands designated for employment to residential or big-box retail uses. In response, amendments to the Planning Act and the PPS, and the introduction of the Growth Plan have been aligned to better define the circumstances under which land use change affecting "employment lands" can occur.

"Employment areas" is a term with a common definition in each of these instruments (see page 1). Depending upon the circumstances, a deemed conversion of employment land to a non-employment use[2] requires the Growth Plan's "municipal comprehensive review" or the PPS's "comprehensive review". The former applies to designated employment areas outside downtown areas or regeneration areas. It can be completed only as part of a municipality-initiated official plan review or official plan amendment which comprehensively applies Growth Plan policies. A PPS-defined review is required within downtown and regeneration areas as well as other employment areas, requires municipal initiation or adoption, and must be founded on growth forecasts.

Amendments to the Planning Act have removed rights of appeal in respect of a council's refusal or failure to adopt an official plan amendment that would, among other matters (and where there are Official Plan policies regulating conversions), remove any land from an area of employment, even if other land is proposed to be added.

This alignment is intended to bring greater rigour and certainty to conversion questions. Barring out-of-the-ordinary circumstances with their own timelines, it ties conversion decisions outside of downtowns and regeneration areas to five year official plan review and amendment cycles in Toronto and the GGH.

To date, most of the contention around conversion has focussed on more traditionally defined "industrial" employment areas or employment lands. Relatively little explicit consideration has been given to questions of the extent to which the land base supporting office uses (outside of designated employment lands) in centres, downtowns or regeneration areas might warrant similar protections from conversion pressures. This is notwithstanding clear reference in policy definitions to employment areas as including clusters of office uses, and the manner in which the Growth Plan lodges office oriented-policies in its "Employment Lands" section.

---

[2] Retail is considered to be an employment uses except in the case of "major retail" where it would occupy lands designated for employment use not including retail and trigger the "conversion" provisions of the Growth Plan.

This policy treatment assumes greater importance when the role of current and future office employment in the city is considered. Roughly 55 percent of Toronto's employment occurs in office buildings (as described in Section 3.0). And roughly fifty percent of the city's future employment growth is expected to be accommodated in office settings (as described in Section 4.0). Toronto's remarkable rate of residential condominium construction has created perceptions of high ongoing demand for that product, and expectations that land values for high density condo construction define the market price for any land with potential for such development. These values are substantially higher than can be supported by office development. While there are signs that the condo market is cooling, the ongoing policy challenge remains – how to define an approach that balances opportunity for employment growth with freedom for capital markets to find and create value.

Preservation of opportunity for office uses has parallels with that for industrial uses:

- Both generally sustain land values lower than those supported by potentially competing uses – retail and other non-industrial uses or residential;
- Both have their functionalities largely dependent upon their location and scale – whether easily accessed and sufficiently large to host sometimes stinky, loud or 24/7 operations without posing adverse effects to residential areas, or easily accessed and in a market-attractive cluster of complementary businesses. This dependency means they have a limited range of locations from which to operate, a reality that distinguishes them from residential uses;
- Both are often located on sites of a size or price under current use/permissions that make them attractive prospects for redevelopment.

Pressure for redevelopment is of course a hallmark of a mature urban area – older industrial areas and transportation facilities do become outmoded by economic change. Their land bases do play a more fruitful role as they redevelop. The term "creative destruction" is often used to describe that ongoing dynamic – it falls to the land use planning system to mediate the balance between the creative and destructive outcomes of the market's role in that process.

The role of price pressures in land use change, and the range of approaches different jurisdictions have taken to maintain opportunities for employment are addressed in Case Studies 2 and 3 in Appendix 2 and considered in Section 5.0's discussion of policy recommendations. In a paper assessing industrial policy in

New York City[3], Laura Wolf-Powers described the planning challenge as balancing the achievement of highest and best use for specific properties ("property-led economic development") with a more comprehensive view of the economy of a city or region and the economic trajectory of all of its neighbourhoods.

Ultimately, maintaining competitive advantage and prosperity for the city requires the maintenance of a competitive supply of land and space supporting employment. The remainder of this section outlines some key attributes of the economic role of lands supporting employment in Toronto.

2.2 The city's downtown and employment areas generate over 90% of its wealth

In 2011, the City of Toronto economy employed roughly 1.53 million people. The city generated $135 billion in GDP ($2002[4]), approximately 52% of the GTA's $262 billion, 28% of Ontario's $493 billion and 11% of Canada's $1,267 billion. As described later in this report, the strength of Toronto's economy lies in its diversification – at a level shared with only Los Angeles, Chicago and New York/New Jersey in North America.

Economists distinguish between "Export Based" (EB) jobs and "Community Based" (CS) jobs. The former generate traded goods and services sold to buyers outside the community and drive its prosperity. CS jobs serve the needs of the local population, and are largely sustained by the redistribution of wealth created through trade (see Appendix 1).

Figure 2.1 below describes the structure of EB jobs in the GTA in 2006, and Toronto's share. It shows the importance of the manufacturing sector, and highlights the regional importance of the city's finance/insurance/real estate, and professional services and business services sectors. In total, Toronto generates 54% of the GTA's EB employment vs. 50% of its overall employment.

In addition to their raw numbers, other measures of the relative importance of the city's different employment sectors include their reliance on the output of other suppliers vs. their own labour, and their productivity. The first is illustrated by employment multipliers, which describe the number of jobs throughout the economy supported by one job in a particular industry. The second is captured by estimates of value-added ($ Gross Domestic Product or GDP) per job. These measures are summarized in Figure 2.2. The table highlights the extent to which jobs in the manufacturing, finance/insurance/real estate and professional services sectors are the city's "highest leverage" jobs. Gains and losses in attracting or losing employers in these sectors have significantly higher employment and economic impacts than do gains or losses in other sectors. These linkages are explored further in Case Study 1 in Appendix 3.

---

[3] Laura Wolf-Powers, 2005. *Up-Zoning New York City's Mixed use Neighborhoods: Property-Led Economic Development and the Anatomy of a Planning Dilemma*. Published in *Journal of Planning, Education and Research*, Volume 24, Issue 4, June 2005, pages 379-393.

[4] All GDP estimates are by C4SE-SPI.

Figure 2.1: Total Employment in the GTA by Place-of-Work in 2006 by Major Industry Export Based Employment in Toronto and the Rest of the GTA

	GTA Total	Toronto	Other GTA	Toronto's Share (%)
Total Economic Base Jobs	758,600	408,300	350,300	54
Primary	15,200	3,900	11,300	26
Manufacturing	395,400	142,000	253,400	36
Logistics	74,800	0	74,800	0
Professional and Other Business Services	83,200	80,000	3,200	96
Finance, Insurance, Real Estate	96,300	96,300	0	100
Education, Health	33,800	33,800	0	100
Information	39,200	39,200	0	100
Tourism	2,500	2,500	0	100
Other	18,200	10,600	7,600	58

Source: Statistics Canada's 2006 Census, Decomposition by C4SE-SPI

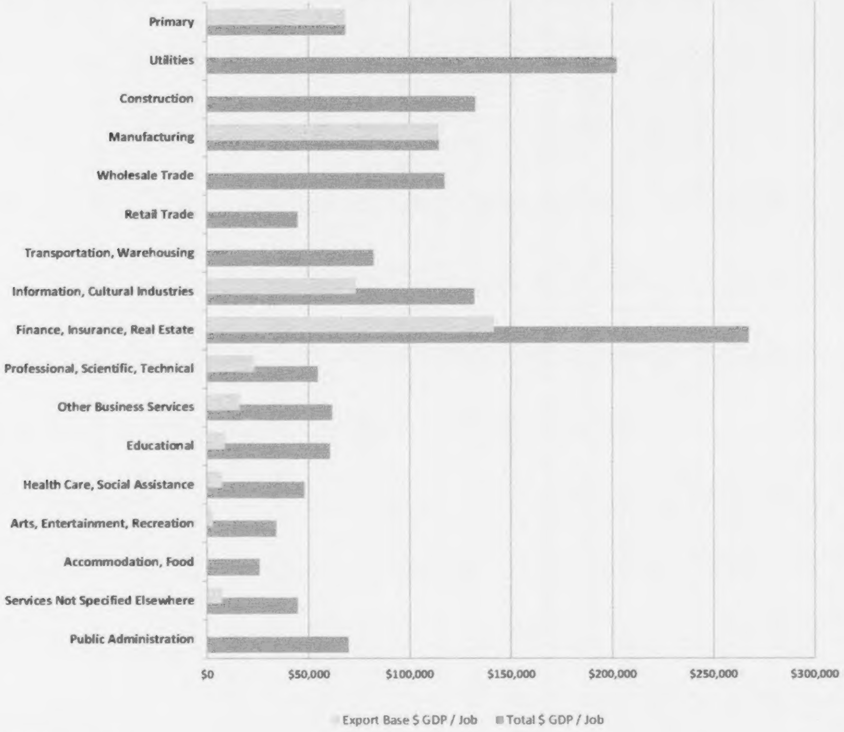
Figure 2.2: City of Toronto Major Industry Groups - Real GDP per Worker and Indirect Jobs per 1,000 Direct Jobs

Industry Group	Real GDP per Worker ($2002)	Indirect Jobs per 1,000 Direct Jobs
Primary	$68,400	450
Manufacturing	$114,400	1,200
Logistics	$100,300	590
Business Services	$56,700	300
Finance, Insurance, Real Estate	$267,300	1,400
Education, Health	$52,800	110
Tourism	$51,800	300
Other	$66,700	440

Source: Statistics Canada's Input-Output Tables for Ontario and Estimates by C4SE-SPI

The bar graph presented in Figure 2.3 combines $GDP/job with the export base percentages. Along with the job multiplier relationships described above, it highlights the economic leverage of jobs in the manufacturing, finance, information and professional services sectors as compared to, for example, the retail and public administration sectors.

Figure 2.3: Total and Export-Based Wealth Generation ($GDP) by NAICS Sector

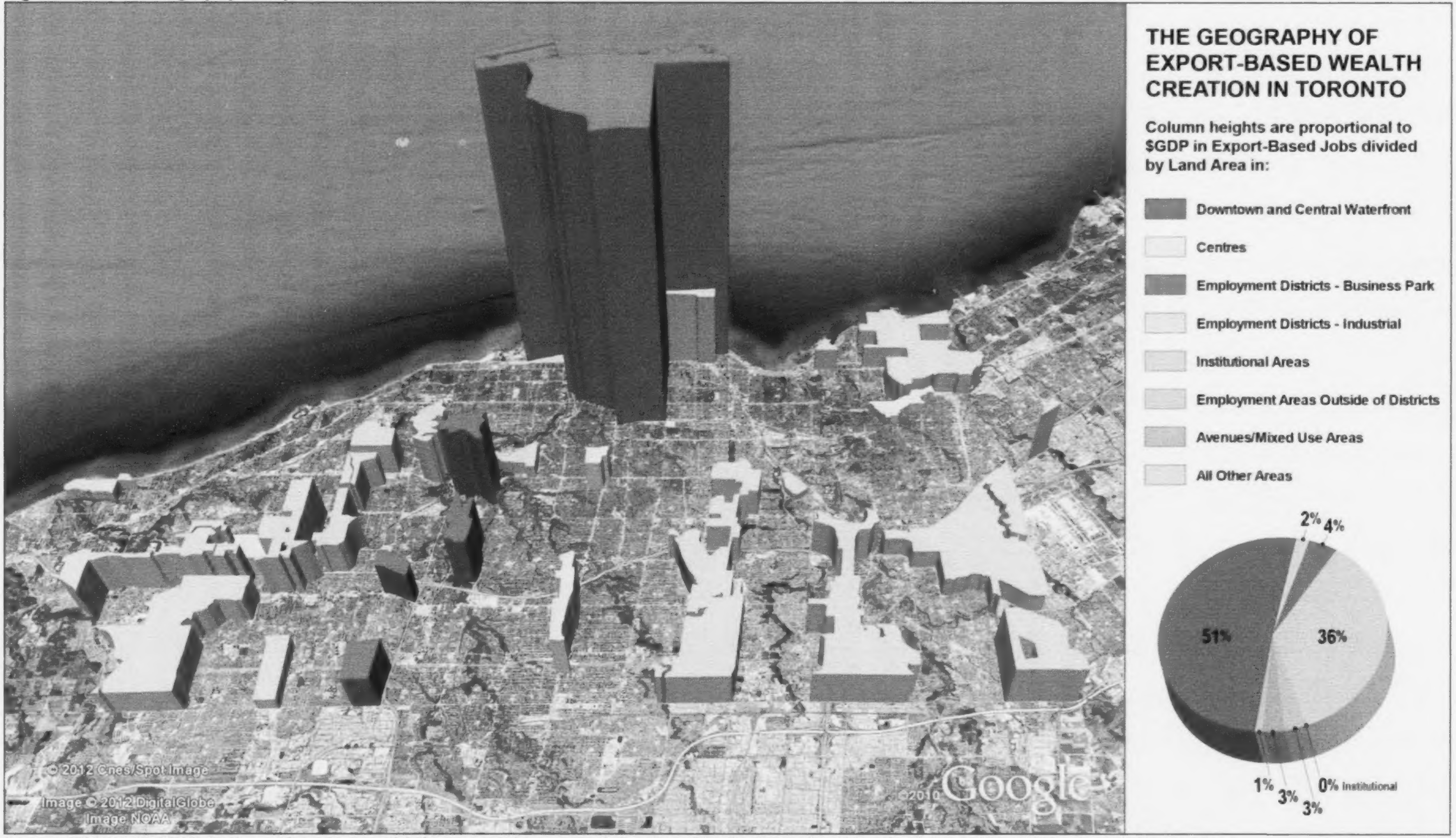


Source: C4SE-SPI.

Note: The figures for Real GDP per Worker ($2002) above represent province-wide averages calculated by dividing real GDP by industry by employment by place-of-work by industry. About 37 % of GDP in Finance, Insurance and Real Estate (FIRE) is accounted for by the imputed rental value of owner-occupied dwellings. Inclusion of the imputed value is considered appropriate because the economic value of owner occupied dwellings to the economy is significant and would not be captured without this imputation. The $GDP per Worker figures shown above and in Figure 2.2 have been adjusted to enable connecting them to the geography of employment by place of work captured in the Toronto Employment Survey.

A picture of the geography of wealth creation in the city can be generated by linking jobs and their locations with estimates of export based economic productivity per job. This geography is illustrated in Figure 2.4, which clearly depicts the economic importance of employment in the city's Employment Districts and Areas and its Downtown. Toronto's ability to create wealth into the future depends in large part on its ability to maintain the land base and the

Figure 2.4: ***The Geography of Export-Based Wealth Creation in Toronto***


THE GEOGRAPHY OF EXPORT-BASED WEALTH CREATION IN TORONTO
Column heights are proportional to $GDP in Export-Based Jobs divided by Land Area in:
Downtown and Central Waterfront
Centres
Employment Districts - Business Park
Employment Districts - Industrial
Institutional Areas
Employment Areas Outside of Districts
Avenues/Mixed Use Areas
All Other Areas
2%
4%
51%
36%
1%
3%
3%
0% Institutional
© 2012 Cnes/Spot Image
Image © 2012 DigitalGlobe
Image NOAA
©2010 Google

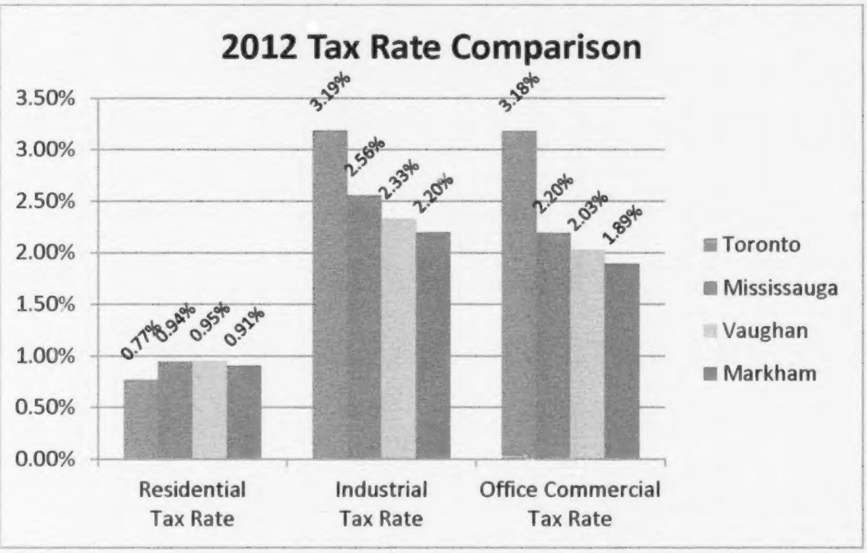
Source: TES 2011, C4SE-SPI, Malone Given Parsons Ltd., from a graphic concept developed by the Canadian Urban institute and Real Estate Search Corporation.

competitive circumstances which sustain these locations as attractive to employers. More simply, employment areas and office clusters are vital to Toronto's prosperity.

2.3 The residential assessment base is growing more than the non-residential

There are self-evident linkages between Toronto's employment economy and its fiscal health. The stronger the city's non-residential tax base and revenues, the lesser the tax burden on the residential base, and the greater the freedom to invest in operating, capital infrastructure and other strategic priorities. Relative to its neighbours in the GTA, Toronto is especially challenged to balance costs with revenues, is constrained by an extreme sensitivity to increasing taxes to homeowners, and levies higher taxes on its non-residential base (see Figure 2.5)[5]. The city is in the midst of a 15 year program to reduce its non-residential tax rates to bring them more in line with those of its neighbouring municipalities. However, as those rates are reduced, so too are revenues in the absence of growth in that assessment base. Failure to follow through on if not accelerate rate reductions constrains the city's competitiveness as a business location.

Figure 2.5: Comparative Residential, Industrial and Office Commercial Tax Rates



Source: 2012 City of Toronto; 2012 City of Mississauga; 2012 City of Vaughan; and 2012 City of Markham

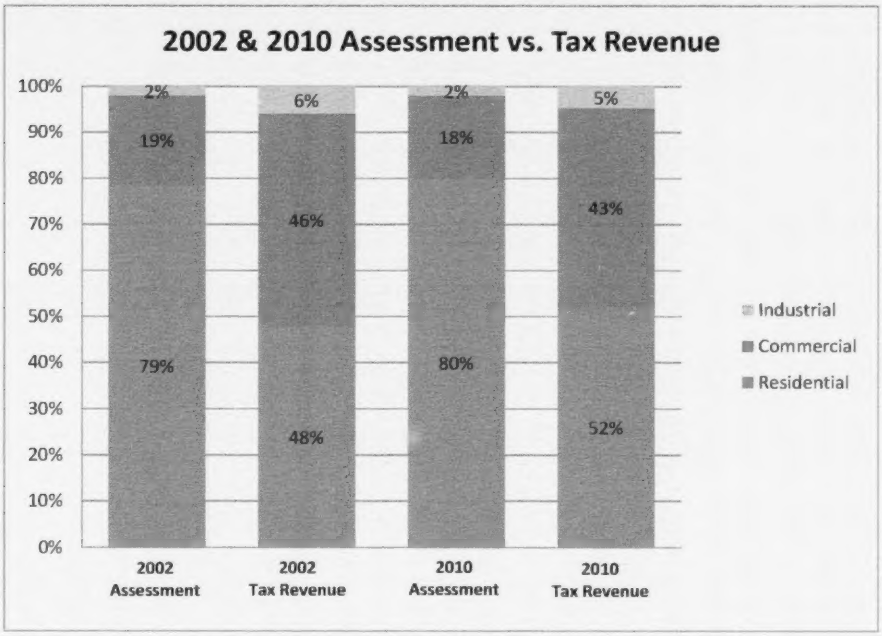
---

[5] Noting that the Education Tax levied by the Province represents 46% of the total tax rate for industrial and commercial properties in Toronto, and is respectively some 15 to 30% higher in Toronto than it is in surrounding municipalities.

Review of the City's assessment balance shows it to be trending the wrong way over the 2002 to 2010 period (see Figure 2.6). The non-residential assessment base is growing more slowly than the residential base, such that its share has declined by 1%. Coupled with the non-residential tax rate reductions its contribution to revenue has declined by 4%.

Toronto's fiscal health and its ability to invest in its future depend in large measure on its ability to continually attract new business and employment.

Figure 2.6: Assessment and Revenue Balance, 2002 vs. 2010

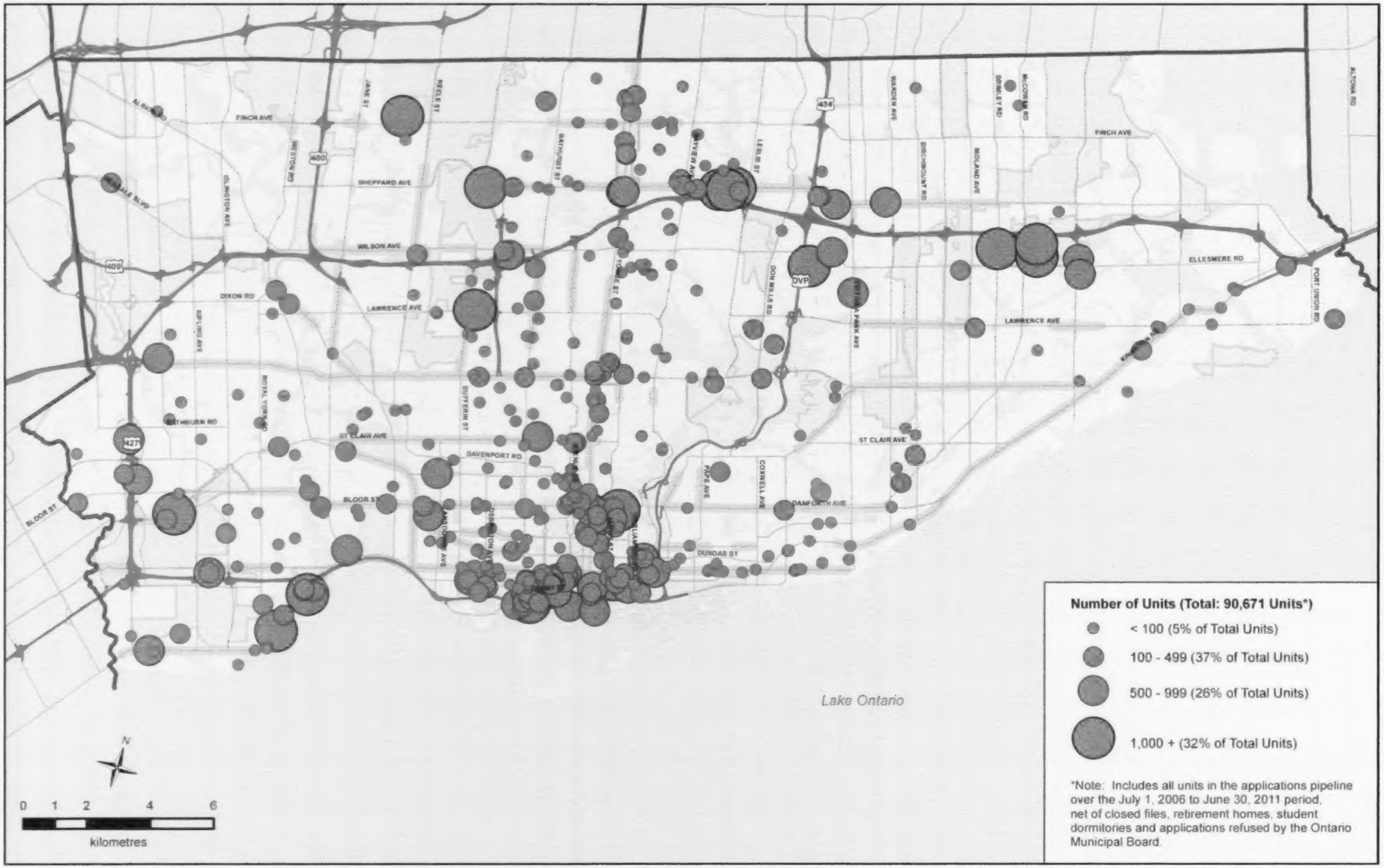


Source: Schedule 22, 2010 & 2002 Financial Information Return (FIR) for the City of Toronto

2.4 Residential unit growth is concentrated in the downtown

A picture of what the future may hold for Toronto's employment to population balance and its assessment balance emerges from the volume of residential units in the approvals pipeline. As illustrated in Figure 2.7, roughly 34% of new residential unit applications – some 30,500 units, are focussed in and near the downtown. Aside from questions of land price impacts or displacement of existing or future potential job space by new residential development, this concentration indicates a strong need to balance that growth with employment growth (ideally walkable or transit connected) and services to new residents as well.

Figure 2.7: Residential Development Applications in the City of Toronto


ALBION RD
FINCH AVE
REXDALE BLVD
JANE ST
KEELE ST
WESTON RD
400
SHEPPARD AVE
ISLINGTON AVE
BATHURST ST
BAYVIEW AVE
LESLIE ST
404
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
MCCOWAN RD
FINCH AVE
ALTONA RD
WILSON AVE
409
YONGE ST
DON MILLS RD
DVP
VICTORIA PARK AVE
ELLESMERE RD
PORT UNION RD
DIXON RD
LAWRENCE AVE
KIPLING AVE
LAWRENCE AVE
KINGSTON RD
ROYAL YORK RD
DUFFERIN ST
RATHBURN RD
427
ST CLAIR AVE
DAVENPORT RD
ST CLAIR AVE
PAPE AVE
COXWELL AVE
BLOOR ST
BLOOR ST
DANFORTH AVE
DUNDAS ST
Lake Ontario
N
0
1
2
4
6
kilometres
Number of Units (Total: 90,671 Units*)
< 100 (5% of Total Units)
100 - 499 (37% of Total Units)
500 - 999 (26% of Total Units)
1,000 + (32% of Total Units)
*Note: Includes all units in the applications pipeline over the July 1, 2006 to June 30, 2011 period, net of closed files, retirement homes, student dormitories and applications refused by the Ontario Municipal Board.

Source: City of Toronto, Development Applications Pipeline, June 2006 – June 2011.

As illustration, if the 30,500 units in the approvals pipeline described earlier generate say 49,100 people at the 2006 downtown apartment persons per unit factor, and a labour force of about 37,200 people of whom 75% are employed in office buildings, it would take roughly 5.4 million sq. ft. of office space to balance those new residents with new jobs. If and when built, these pipeline units will largely be in addition to the 48,000 new units built south of Bloor Street over the 2000 - 2010 period.

More recent announcements of new office space commitments and prospects indicate that space for jobs in larger office towers (~500,000 sq. ft. +) will be coming to market over the short to medium term. However, as discussed in Section 3.0, Toronto's current inability to bring mid-sized modules (circa 200,000 sq. ft. and smaller) to market continues to challenge balanced population and employment growth.

3.0

SITUATION ANALYSIS

The current picture highlights two themes: the importance of employment diversity and the need for new office space supply.

This situation analysis section describes the current geography of Toronto's employment. It relies largely on the land use types designated in the Official Plan (OP) and the major employment sector definitions of the Toronto Employment Survey (TES) to describe the current spatial distribution and make-up and its growth trends. The study adopts the terms "urban structure typology", "employment space" and "localities" to avoid confusion with such terms as employment areas or employment lands employment.

The section further describes geography and growth trends by three over-arching types of employment space – industrial, retail and service, and office; and by the nature of their locational needs.

The section concludes with description of the city's inventory of vacant lands and employment space, and evaluation of the strengths, weaknesses, opportunities and threats (SWOT's) for the city's employment localities.

3.1 Toronto's employment geography has several dimensions

Toronto's employment geography has a spatial dimension – the "where's" of differing types of employment; a quantitative dimension – "how many" jobs of what types are located where; and a functional dimension which distinguishes among the "whys" driving decisions to locate in the city's different employment localities. "Who's are described by reference to residential areas providing labour pools for employment locations. Each is addressed below.

3.1.1 The city's employment localities are described by current Official Plan designations

The city's employment geography is described by reference to the typology defined by the Official Plan's structure (from Map 2) and land use designations (from Maps 13 – 23), as shown in Figure 2.1. The respective land types or localities are:

- The Downtown and Central Waterfront
- Centres
- Employment Districts – "Industrial"
- Employment Districts – "Business Parks"
- Employment Areas Outside of Districts
- Avenues
- Mixed Use Areas outside of Avenues
- Institutional Areas
- All Other Areas

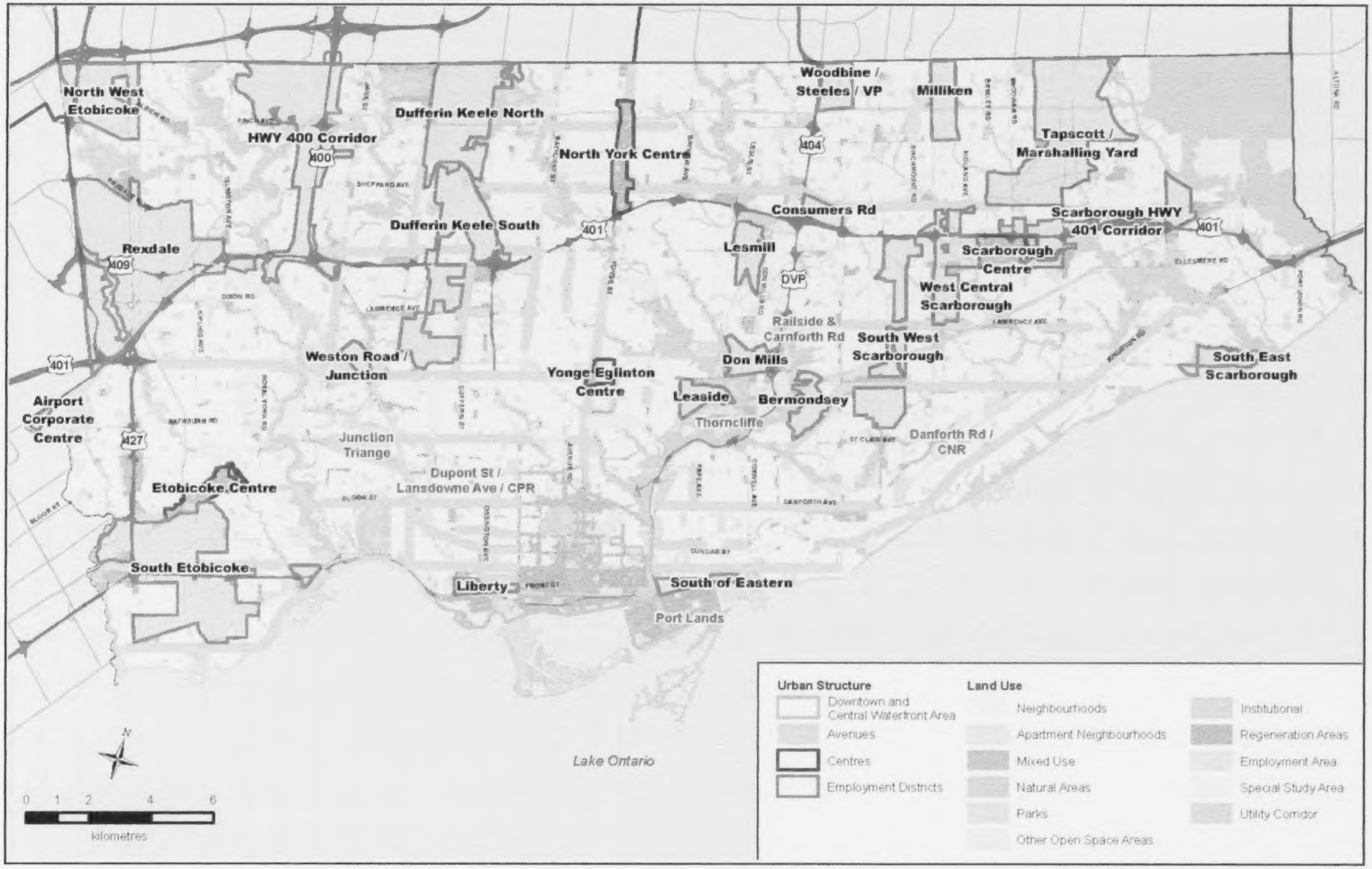
The last category is essentially comprised of the city's neighbourhoods and open spaces. The Employment Districts – "Business Parks" distinguish the more office –oriented Employment Districts in the Don Valley Parkway corridor.

The TES divides the city's employment base into six major sectors:

- Manufacturing & Wholesaling
- Retail
- Service
- Office
- Institutional
- Other

The nature of the jobs occurring in each of the localities is described by linking the typology with the city's TES data by address. This enables mapping the distribution of employment by both type and location, and the generation of data summarizing those distributions at a survey horizon. This "parsing" has been applied to the TES for 2001, 2006 and 2011 in Appendix 3. Comparisons between the latter two capture outcomes as shaped (or not) by the new OP as approved in 2006 and are summarized in Section 3.1.3 below. Comprehensive profiles of the areas making up each of the city's employment localities are provided in Appendix 3. These also describe the geography place of residence of the "who's" comprising the labour force employed in each locality, cross referenced to the city's Neighbourhood Improvement Areas (formerly called Priority Neighbourhoods).

Figure 3.1: Toronto's Employment Space Typology


North West Etobicoke
HWY 400 Corridor
Dufferin Keele North
North York Centre
Woodbine / Steeles / VP
Milliken
Tapscott / Marshalling Yard
Consumers Rd
Scarborough HWY 401 Corridor
Scarborough Centre
Dufferin Keele South
Rexdale
Lesmill
DVP
West Central Scarborough
Railside & Carnforth Rd
South West Scarborough
Don Mills
Weston Road / Junction
Yonge Eglinton Centre
Leaside
Bermondsey
Thorncliffe
South East Scarborough
Airport Corporate Centre
Junction Triange
Dupont St / Lansdowne Ave / CPR
Danforth Rd / CNR
Etobicoke Centre
South Etobicoke
Liberty
South of Eastern
Port Lands
Lake Ontario
400
401
404
409
427
SHEPPARD AVE
LAWRENCE AVE
ELLESMERE RD
ST CLAIR AVE
BLOOR ST
DANFORTH AVE
DUNDAS ST
FRONT ST
N
0 1 2 4 6
kilometres
Urban Structure
Downtown and Central Waterfront Area
Avenues
Centres
Employment Districts
Land Use
Neighbourhoods
Apartment Neighbourhoods
Mixed Use
Natural Areas
Parks
Other Open Space Areas
Institutional
Regeneration Areas
Employment Area
Special Study Area
Utility Corridor

Source: City of Toronto Official Plan, 2006.

3.1.2 The Downtown & Central Waterfront areas supports the city-region's largest employment concentration

Toronto's employment structure and geography is described by reference to a series of matrix tables and a summary chart over the next pages (Figures 3.2 and 3.3). Maps showing the geography of jobs in each employment sector and the size classes of the employers providing those jobs are presented in Appendix 3.

With respect to the tabular data, several observations should be noted:

- The city's overall employment balance is (as noted previously) quite diverse – while Office jobs[1] dominate with a 48% share in 2011, the remainder is fairly evenly spread among the other sectors;
- The Downtown & Central Waterfront area is home to roughly a third of the city's jobs, followed by Employment Districts and Areas at 30%, and Avenues at 13%;
- Not surprisingly, Office jobs are the most concentrated, in the Downtown & Central Waterfront area;
- Manufacturing & Warehousing jobs are the next most concentrated, in the Employment Districts – "Industrial" land type, but at the same level as the Office jobs also present in that land type. Over 90% of Manufacturing & Warehousing jobs are located in Employment Districts or Areas;
- Otherwise, there is notable diversity of employment sectors in most of the localities, particularly the Employment Districts - "Industrial" and Employment Areas;
- Retail and Service jobs show a strong presence in Employment Districts and Areas, but show significant differences in their respective proportions in the Downtown and Mixed Use Areas outside of Avenues;
- Institutional jobs are concentrated in the Downtown & Central waterfront Area and in their eponymous use-specific designation, with 28% distributed across the city in the All Other Areas land type. Most of these occur in neighbourhood schools, retirement homes and other institutions.

---

[1] As classified in the Toronto Employment Survey, and as distinct from jobs situated in office buildings, as addressed in Section 2.2.

Figure 3.2: Toronto's Employment Geography by Urban Structure Typology and Major Sector, 2011

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	4,400	25,600	45,400	291,600	58,400	16,600	**442,000**
Centres	1,000	6,600	5,900	58,300	3,600	1,800	**77,200**
Employment Districts - "Industrial"	104,500	38,100	35,500	99,300	11,100	8,500	**297,000**
Employment Districts - "Business Park"	4,300	2,300	2,200	47,800	2,500	500	**59,600**
Employment Areas Outside of Districts	10,000	4,200	8,200	9,200	600	500	**32,700**
Avenues	2,700	35,600	32,900	65,800	23,300	4,700	**165,000**
Mixed Use Areas Outside of Avenues	600	30,600	14,000	42,300	7,200	1,200	**95,900**
Institutional Areas	-	100	600	1,000	51,000	400	**53,100**
All Other Areas	1,000	4,200	5,100	12,500	62,000	9,800	**94,600**
TOTAL	**128,500**	**147,300**	**149,800**	**627,800**	**219,700**	**44,000**	**1,317,100**

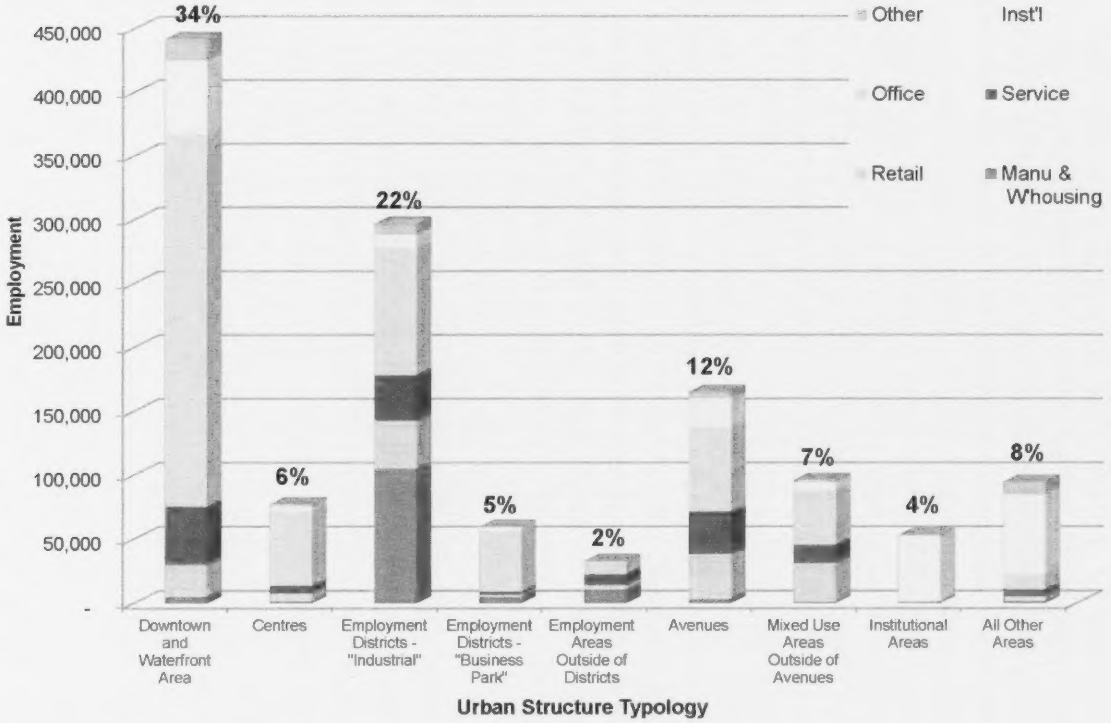
	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	0%	2%	3%	22%	4%	1%	**34%**
Centres	0%	1%	0%	4%	0%	0%	**6%**
Employment Districts - "Industrial"	8%	3%	3%	8%	1%	1%	**23%**
Employment Districts - "Business Park"	0%	0%	0%	4%	0%	0%	**5%**
Employment Areas Outside of Districts	1%	0%	1%	1%	0%	0%	**2%**
Avenues	0%	3%	2%	5%	2%	0%	**13%**
Mixed Use Areas Outside of Avenues	0%	2%	1%	3%	1%	0%	**7%**
Institutional Areas	0%	0%	0%	0%	4%	0%	**4%**
All Other Areas	0%	0%	0%	1%	5%	1%	**7%**
TOTAL	**10%**	**11%**	**11%**	**48%**	**17%**	**3%**	**100%**

	Manu & W'housing	Retail	Service	Office	Inst'l	Other
Downtown and Waterfront Area	3%	17%	30%	46%	27%	38%
Centres	1%	4%	4%	9%	2%	4%
Employment Districts - "Industrial"	81%	26%	24%	16%	5%	19%
Employment Districts - "Business Park"	3%	2%	1%	8%	1%	1%
Employment Areas Outside of Districts	8%	3%	5%	1%	0%	1%
Avenues	2%	24%	22%	10%	11%	11%
Mixed Use Areas Outside of Avenues	0%	21%	9%	7%	3%	3%
Institutional Areas	0%	0%	0%	0%	23%	1%
All Other Areas	1%	3%	3%	2%	28%	22%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	1%	6%	10%	66%	13%	4%	**100%**
Centres	1%	9%	8%	76%	5%	2%	**100%**
Employment Districts - "Industrial"	35%	13%	12%	33%	4%	3%	**100%**
Employment Districts - "Business Park"	7%	4%	4%	80%	4%	1%	**100%**
Employment Areas Outside of Districts	31%	13%	25%	28%	2%	2%	**100%**
Avenues	2%	22%	20%	40%	14%	3%	**100%**
Mixed Use Areas Outside of Avenues	1%	32%	15%	44%	8%	1%	**100%**
Institutional Areas	0%	0%	1%	2%	96%	1%	**100%**
All Other Areas	1%	4%	5%	13%	66%	10%	**100%**

Source: Toronto Employment Survey, 2011.

Figure 3.3: Toronto's Employment Geography by Urban Structure Typology and Major Sector, 2011



Source: Toronto Employment Survey, 2011.

3.1.3 Employment diversity is central to the city's prosperity

Toronto's experience of the period from 2001 - 2006 was characterized by a marginal decline in total employment (~1%) masking more significant losses in Manufacturing & Warehousing employment (-17%) and gains in the Institutional sector (+17% - see Figure 3.4a). For a period that included the dotcom bust, the 9/11 attacks, much of the run-up in the value of the $CDN and SARS, that outcome shows remarkable resilience.

The 2006 -2011 period included recovery from some of the earlier challenges, but also the financial meltdown beginning in the fall of 2008 (see Figure 3.4b). The table shows Toronto's total employment to have grown by 39,300 jobs overall (+3%) from 2006 - 2011. Continued decline in Manufacturing & Warehousing jobs (-26,700 jobs/ -17%) was offset by substantial growth in the Office sector as well as that in the Service and Institutional sectors. These outcomes highlight the diversity of the city's employment, and the economic benefit of that diversity. Figure 3.5 shows a graphical summary of performance by sector.

And, as noted in Section 3.2 and Appendix 1, while there is both loss in and movement of manufacturing and warehousing jobs from Toronto, the decline in

Manufacturing & Warehousing employment masks the sector's growth in productivity – part of the decline is an outcome of continued investment in more efficient production and logistics technologies and the replacement of labour with capital.

The geography of employment gains and losses tracks with the employment growth record. Declines in Employment Districts were out-weighed by the substantial gain in the Downtown and Central Waterfront area, and smaller gains distributed across the other localities. The 7,000 job (10%) gain in Centres more than made up for the 4,500 jobs lost over the 2001 - 2006 period.

3.2 Functional requirements drive the geography of employment places

Planning for employment uses must recognize fundamental distinctions between drivers of functional and locational choice for different employment space needs. These can be described as:

- **Population vs. Production-Serving**, i.e., the extent to which location decisions are driven by need for proximity to the people being served vs. needs of the goods or services production process; as well as the extent to which growth prospects are shaped by population growth, or other economic drivers;
- **Captive vs. Mobile**, i.e., the extent to which decisions are forced by the need to locate near specific customers or suppliers vs. anywhere that meets a set of criteria;
- **Opportunistic vs. Strategic**, i.e., the extent to which decisions are driven more by convenience than by core need, e.g., access to generic inexpensive space vs. specific locational attributes; and
- **Distributed vs. Place-Based**, i.e., the extent to which locations which fulfill requirements occur across the urban landscape or are confined to specific types of areas, e.g., small scale retail or residential neighbourhoods vs. office clusters or industrial areas.

These distinctions help inform and understand trends in locations and growth in major employment sectors. Generally speaking, manufacturing, warehousing and related uses (e.g., utilities, construction) can be characterised as more Production-Serving/Mobile/Strategic/Place-Based employers. The same is true for most major office uses – both seek locations with attributes that exist in relatively few

Figure 3.4a: Toronto's Employment Growth by Urban Structure Typology and Major Sector, 2001 – 2006

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-1,800	800	900	-9,300	4,700	2,700	**-2,000**
Centres	-1,100	500	500	-4,900	0	500	**-4,500**
Employment Districts "Industrial"	-19,500	6,800	-800	-2,600	2,900	1,800	**-11,400**
Employment Districts "Business Parks"	-3,300	800	-500	3,500	800	200	**1,500**
Employment Areas Outside of Districts	-2,800	300	700	-1,400	0	-100	**-3,300**
Avenues	-200	900	700	-1,200	2,500	0	**2,700**
Mixed Use Areas Outside of Avenues	-1,900	-2,300	-500	2,400	4,000	200	**1,900**
Institutional Areas	0	-100	100	100	11,000	-100	**11,000**
All Other Areas	-900	-1,700	-1,100	-4,100	3,400	400	**-4,000**
TOTAL	**-31,500**	**6,000**	**0**	**-17,500**	**29,300**	**5,600**	**-8,100**

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-25%	3%	2%	-4%	9%	28%	**0%**
Centres	-57%	7%	10%	-9%	0%	46%	**-6%**
Employment Districts "Industrial"	-14%	22%	-2%	-3%	40%	35%	**-4%**
Employment Districts "Business Parks"	-20%	23%	-13%	7%	38%	41%	**2%**
Employment Areas Outside of Districts	-21%	6%	10%	-16%	-4%	-40%	**-10%**
Avenues	-7%	2%	2%	-2%	16%	-1%	**2%**
Mixed Use Areas Outside of Avenues	-64%	-7%	-4%	7%	79%	14%	**2%**
Institutional Areas	-55%	-68%	65%	23%	31%	-12%	**30%**
All Other Areas	-28%	-21%	-12%	-23%	6%	4%	**-4%**
TOTAL	**-17%**	**4%**	**0%**	**-3%**	**17%**	**17%**	**-1%**

Source: Toronto Employment Survey, 2011.

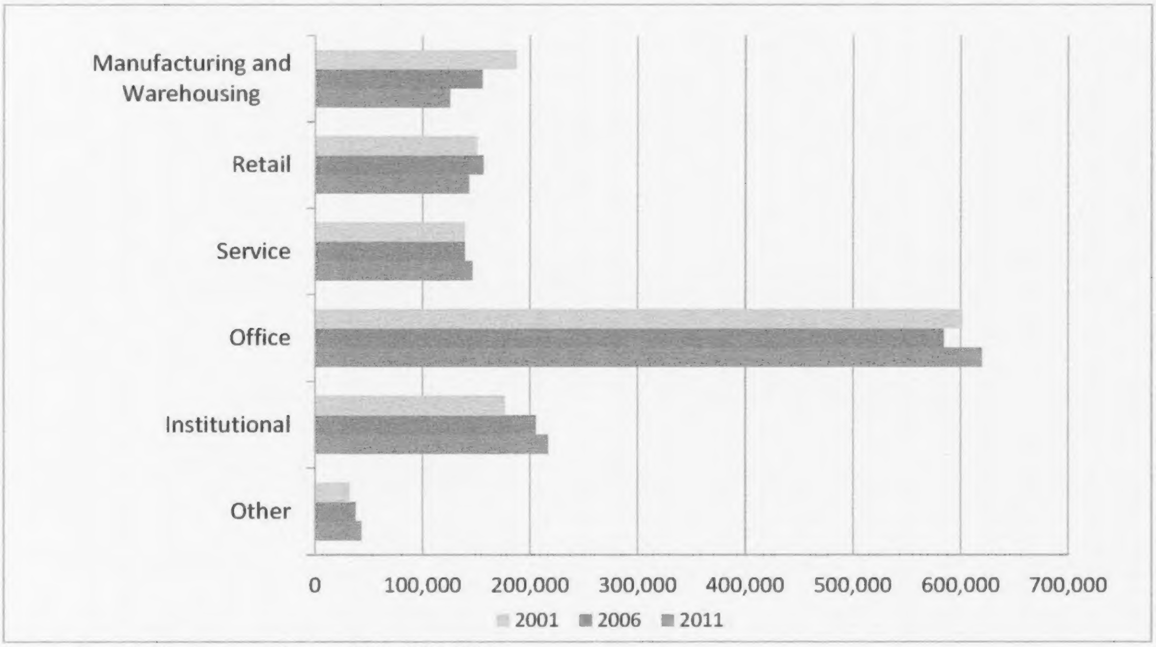
Figure 3.4b: Toronto's Employment Growth by Urban Structure Typology and Major Sector, 2006 – 2011

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-1,000	-100	6,800	38,000	2,200	4,000	**49,900**
Centres	200	-500	500	5,900	700	200	**7,000**
Employment Districts "Industrial"	-18,800	-2,700	3,200	-3,100	700	1,300	**-19,400**
Employment Districts "Business Parks"	-4,400	500	-300	-2,100	100	100	**-6,100**
Employment Areas Outside of Districts	-500	0	1,100	2,200	100	300	**3,200**
Avenues	-300	-4,600	600	-900	5,600	1,500	**1,900**
Mixed Use Areas Outside of Avenues	-500	700	1,400	4,200	-2,100	0	**3,700**
Institutional Areas	0	100	400	400	3,900	0	**4,800**
All Other Areas	-1,400	-2,200	-2,900	-900	3,100	-1,400	**-5,700**
TOTAL	**-26,700**	**-8,800**	**10,800**	**43,700**	**14,300**	**6,000**	**39,300**

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-18%	0%	18%	15%	4%	32%	**13%**
Centres	23%	-7%	10%	11%	24%	11%	**10%**
Employment Districts "Industrial"	-16%	-7%	10%	-3%	7%	18%	**-6%**
Employment Districts "Business Parks"	-34%	12%	-10%	-4%	4%	12%	**-8%**
Employment Areas Outside of Districts	-5%	-1%	15%	32%	12%	189%	**10%**
Avenues	-9%	-11%	2%	-1%	32%	47%	**1%**
Mixed Use Areas Outside of Avenues	-42%	2%	11%	11%	-23%	-2%	**4%**
Institutional Areas	120%	109%	190%	52%	8%	7%	**10%**
All Other Areas	-56%	-35%	-36%	-6%	5%	-12%	**-6%**
TOTAL	**-17%**	**-6%**	**8%**	**7%**	**7%**	**16%**	**3%**

Source: Toronto Employment Survey, 2011.

Figure 3.5: Employment by Sector – 2001, 2006, 2011



Source: Toronto Employment Survey, 2001, 2006, 2011.

places across the city. If requirements can't be met, employers will simply go to an alternative location where they can be, which may take them to another municipality (or province/state/nation) entirely.

Population or community serving uses locate where the people are – in proximity to residential areas or concentrations of workers. They can be characterised as more Population-Serving/Captive/Opportunistic/Distributed uses, with retail, service and local schools being classic examples.

Manufacturing & Warehousing and Office-occupying uses have specific location requirements, with areas designated to accommodate them. Each attracts and benefits from the presence of other supporting uses. The employment distributions outlined above reflect the experience that a variety of unrelated uses also seek locations in areas designated for employment for a variety of reasons, many of which are more opportunistic than strategic. This dynamic underlies the propensity for, for example, places of worship to seek less expensive industrial land for new locations, or for artists to seek inexpensive and "funky" older industrial space. Larger format retail has accessibility requirements similar to industrial uses, needs larger land parcels, and so also often seeks industrial locations.

These patterns are understood and provided for in the City's current Official Plan, as reviewed in Section 5.0. They are outlined here to underpin this section's presentation of characteristics and trends in three major employment space categories, remembering that each supports a variety of uses and needs:

- Industrial Space and Locations
- Office Building Space and Locations
- Retail & Services Space and Locations

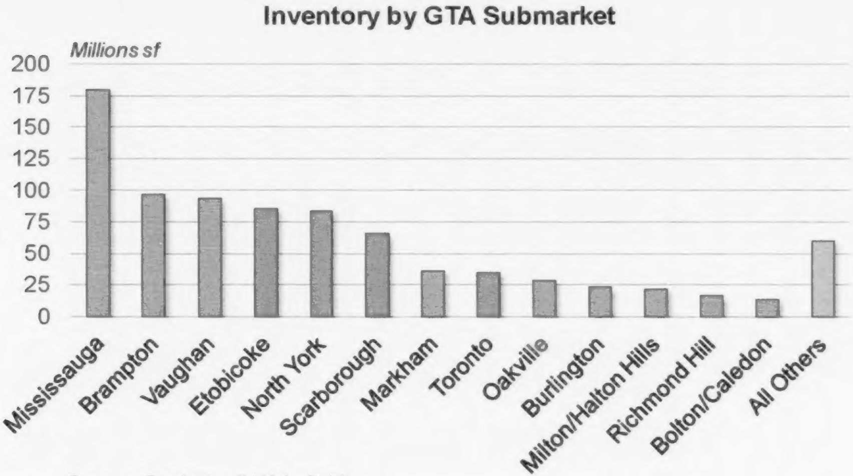
The subsections below summarize more fulsome descriptions of characteristics and trends provided in Appendix 3. The last provides an overview of experience in the Institutional sector over the 2001 – 2011 period.

3.2.1 Toronto's industrial space inventory and lands continue to show real strength

As described above, the Manufacturing & Warehousing sector in 2011 provided 10% of Toronto's jobs, concentrated in the City's Employment Districts and Employment Areas.

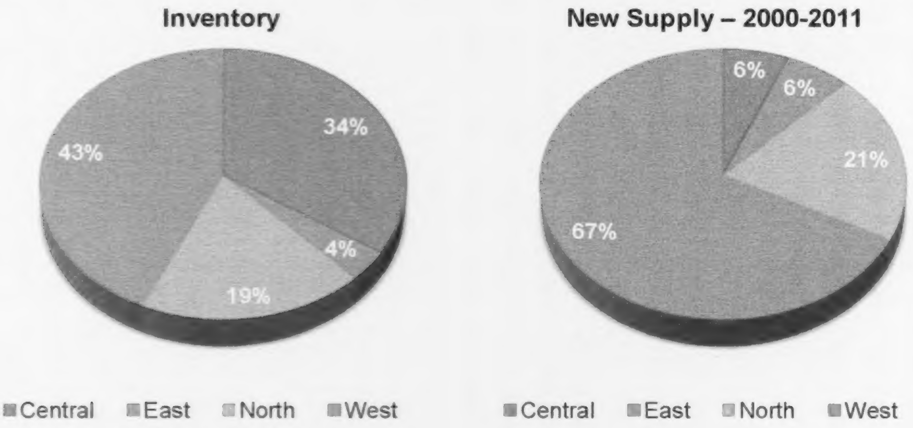
The Greater Toronto Area (GTA) has an industrial inventory of approximately 840 million sq. ft., and ranks in the top three markets in North America. The inventory of space in the GTA is divided into four broad submarkets: GTA Central (City of Toronto), GTA West, GTA North, and GTA East. Figure 3.6 below depicts this inventory at the [former] local municipal level. While the City of Toronto accounts for 34% of the total GTA inventory, it has only seen a 6% share of new industrial supply since 2000 (see Figure 3.7).

Figure 3.6: Inventory of Industrial Space – GTA



Source: Cushman & Wakefield

Figure 3.7: Industrial Inventory Vs. New Supply



Source: Cushman & Wakefield

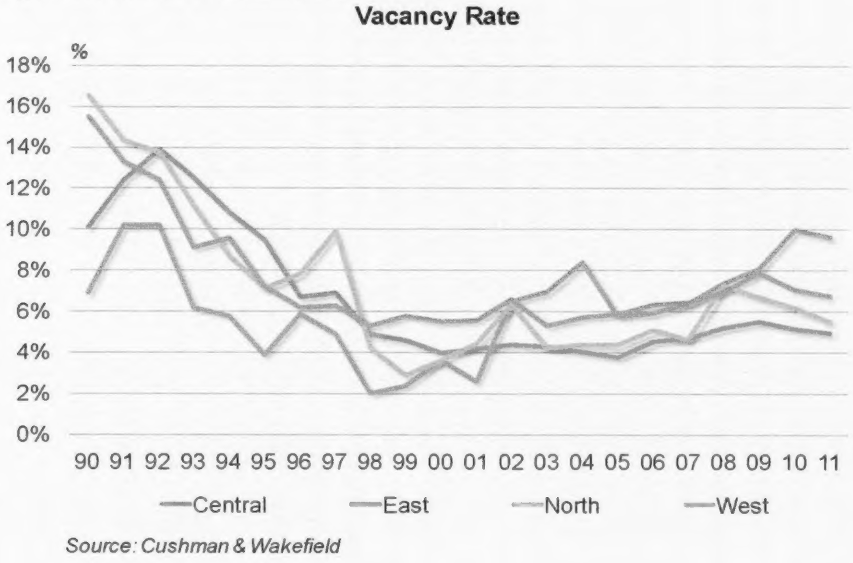
Within the city, the five largest Employment Districts account for almost 50% of the industrial inventory. Roughly 13% of the GTA Central industrial stock is found outside of Employment Districts and Employment Areas.

Vacancy rates in the GTA remained between 4.5% and 5.7% from 1998 through 2007, but surged to nearly 7% following the 2008 recession. Toronto ("Central GTA" in Figure 3.8) has enjoyed the lowest vacancy rate in the GTA for most of the past 10 years. Average net rental rates remained stable from 2000 through 2008, but declined 15% from the peak in 2007. There are, however, signs that the market has rebounded, with an accelerating rate of absorption through 2010 and 2011 and a general belief that rental rates have "hit bottom".

A considerable portion of Toronto's industrial inventory dates from the 1950's through 1970. The inventory in the former Toronto, East York and York municipalities is predominantly pre-1960s construction, whereas approximately 65-80% of the stock in the former Etobicoke, North York and Scarborough was built post 1960 (see Figure 3.9).

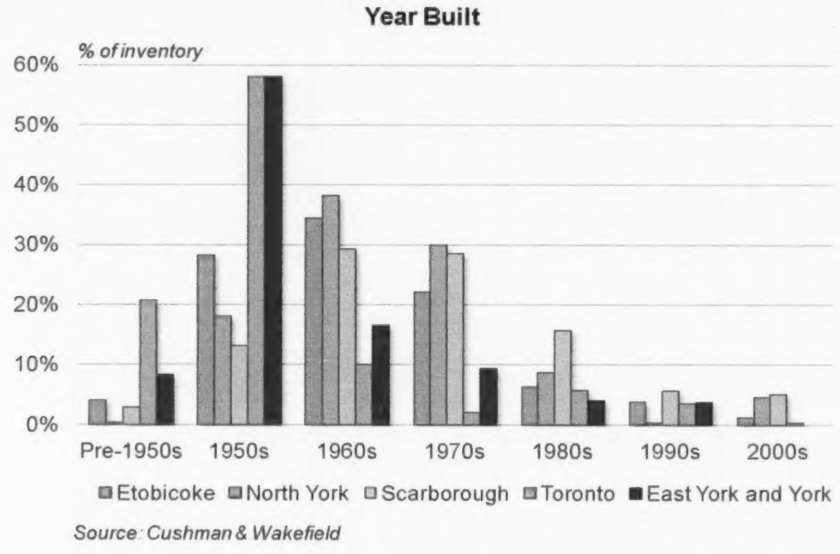
New industrial construction has consisted of buildings with ceiling heights in excess of 20' in order to accommodate vertical warehousing and distribution systems utilized by modern industrial users. In the City of Toronto, over 70% of the stock has less than 20' clear height; however, even with these lower heights, the stock in the city has remained in demand. Space in the former City of Toronto has in fact sustained the lowest vacancy rate, at less than 2% over the past decade

Figure 3.8: Industrial Vacancy Rates – GTA



Source: Cushman & Wakefield

Figure 3.9: Industrial Inventory – Year Built



Source: Cushman & Wakefield

Overall, there are encouraging signs pointing towards renewed space demand and declining vacancy rates in each submarket.

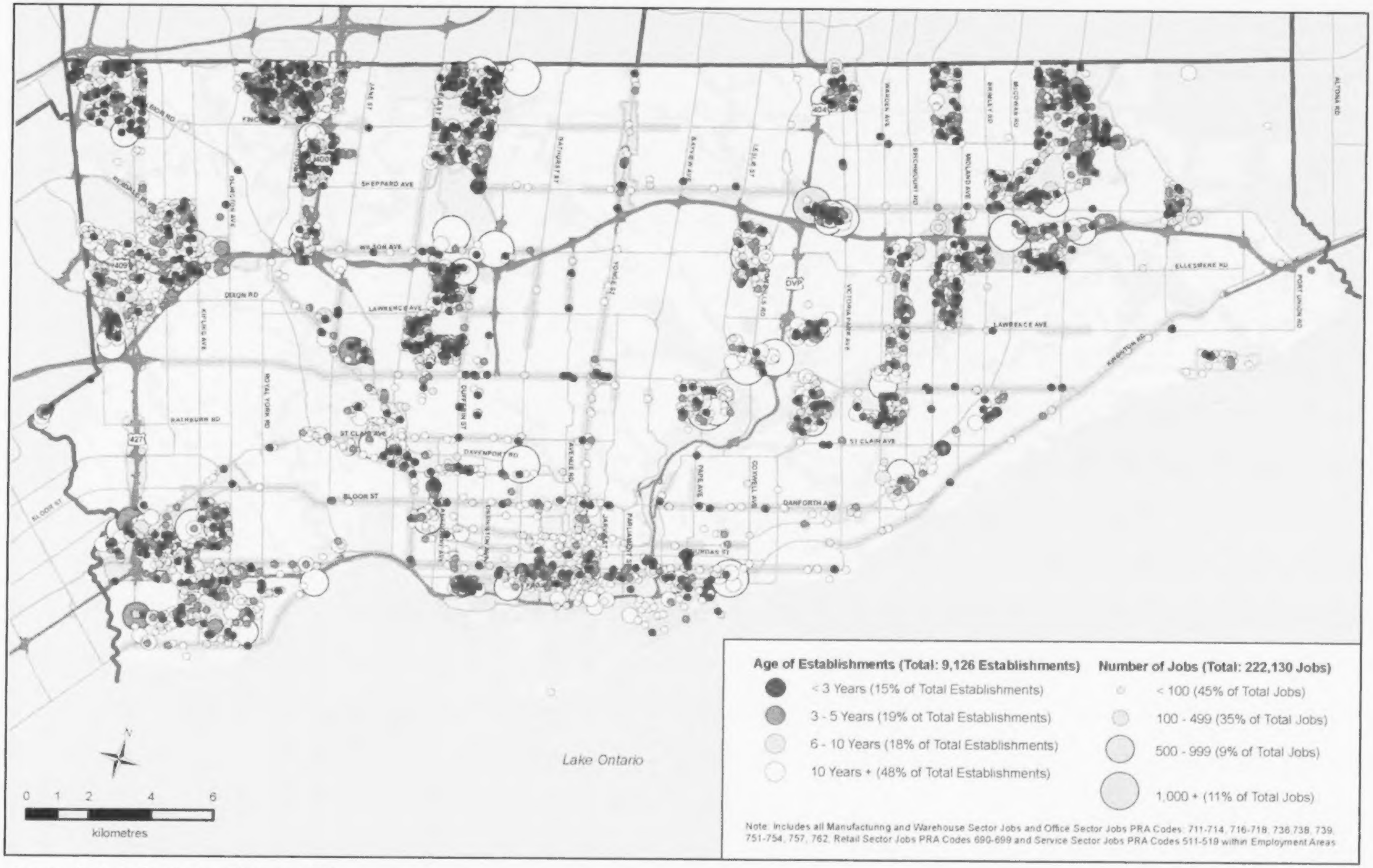
Vitality of the city's Employment Districts and Areas

It is important to note those signs, and to highlight the general vitality of the city's industrial lands in its Employment Districts and Areas. Figure 3.10 depicts the age and size profile of the manufacturing, warehousing and related business establishments occupying the city's employment localities. It shows that 36% of these establishments have been at their respective locations for five years or less. This demonstrates a remarkable level of start-up activity and vitality vs. the decline many ascribe to these areas. Analysis of the geography of building permits for industrial buildings and renovations over the 2006 to 2011 period shows investment of over $960 million in the spaces supporting industrial and related employment in the city (see Figure 2.11). Most of this investment is concentrated in its Employment Districts and Areas.

Employment for the city's Neighbourhood Improvement Areas

An important social dimension of manufacturing and related employment is the relatively well-paid, full time jobs it provides for labour that may be less educated, more recently immigrated, less versed in English as a second language and more transit dependant than average (see Case Study 2 in Appendix 2). These spatial and economic relationships are illustrated by example in Figure 3.12. The map shows where labour is drawn from to work in the Highway 400 Corridor Employment District. Neighbourhood Improvement Areas (mapped per the former "Priority Neighbourhoods" terminology) are a significant labour source, indicating the obverse – the city's industrial areas are an important source of employment to the residents of its higher risk neighbourhoods. The same mapping is provided for each of the city's employment localities in their profiles in Appendix 2.

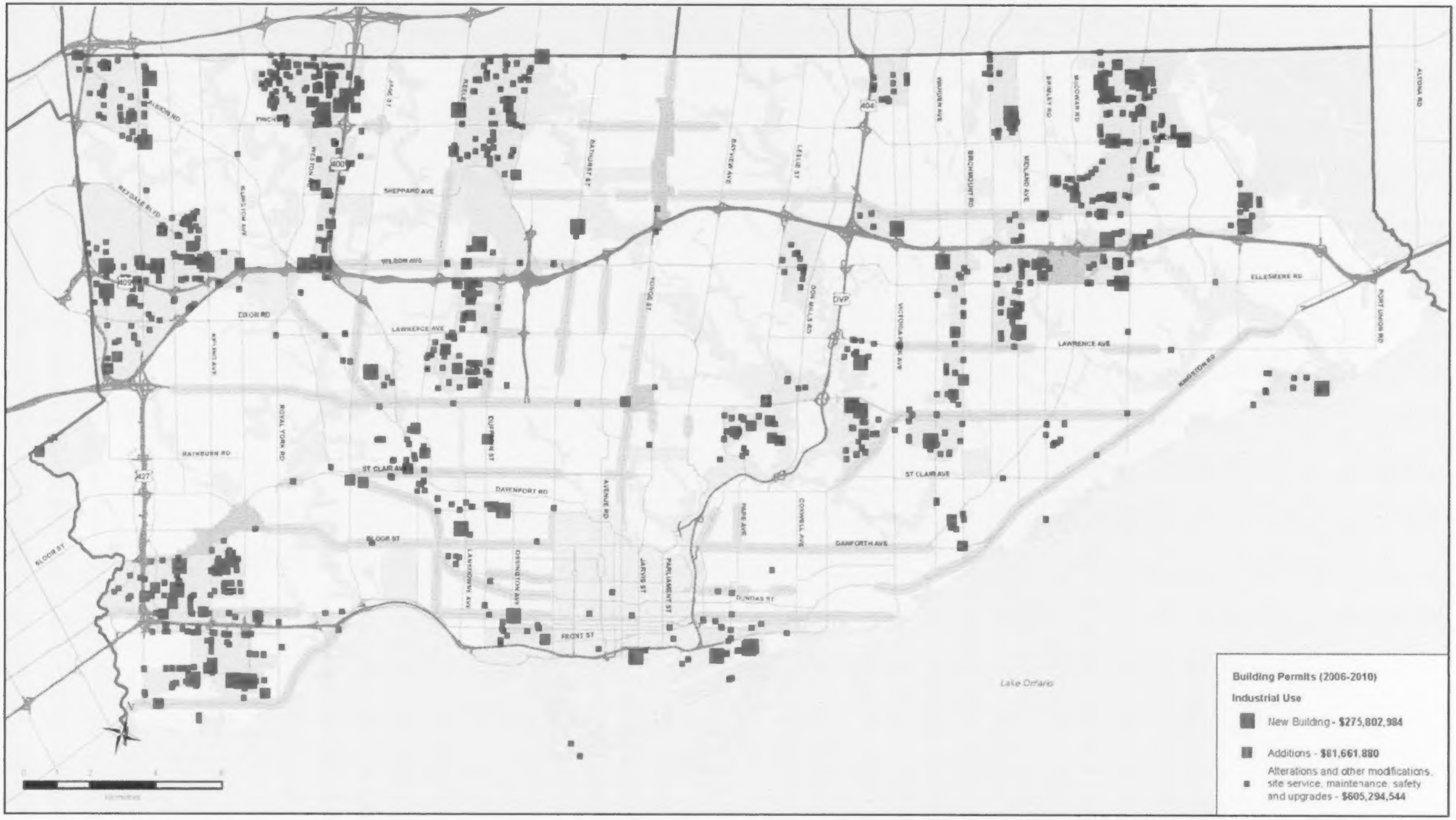
Figure 3.10: Age of Manufacturing and Related Establishments, 2011


Age of Establishments (Total: 9,126 Establishments)
< 3 Years (15% of Total Establishments)
3 - 5 Years (19% ot Total Establishments)
6 - 10 Years (18% of Total Establishments)
10 Years + (48% of Total Establishments)
Number of Jobs (Total: 222,130 Jobs)
< 100 (45% of Total Jobs)
100 - 499 (35% of Total Jobs)
500 - 999 (9% of Total Jobs)
1,000 + (11% of Total Jobs)
Lake Ontario
N
0
1
2
4
6
kilometres
FINCH
SHEPPARD AVE
WILSON AVE
LAWRENCE AVE
DIXON RD
RATHBURN RD
ST CLAIR AVE
DAVENPORT RD
BLOOR ST
DANFORTH AVE
DUNDAS ST
ELLESMERE RD
KINGSTON RD
JANE ST
BATHURST ST
BAYVIEW AVE
LESLIE ST
YONGE ST
DUFFERIN ST
ROYAL YORK RD
KIPLING AVE
ISLINGTON AVE
AVENUE RD
JARVIS ST
PARLIAMENT ST
PAPE AVE
COXWELL AVE
VICTORIA PARK AVE
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
MCCOWAN RD
PORT UNION RD
ALTONA RD
400
401
404
409
427
DVP

Note: Includes all Manufacturing and Warehouse Sector Jobs and Office Sector Jobs PRA Codes: 711-714, 716-718, 736,738, 739, 751-754, 757, 762, Retail Sector Jobs PRA Codes 690-699 and Service Sector Jobs PRA Codes 511-519 within Employment Areas

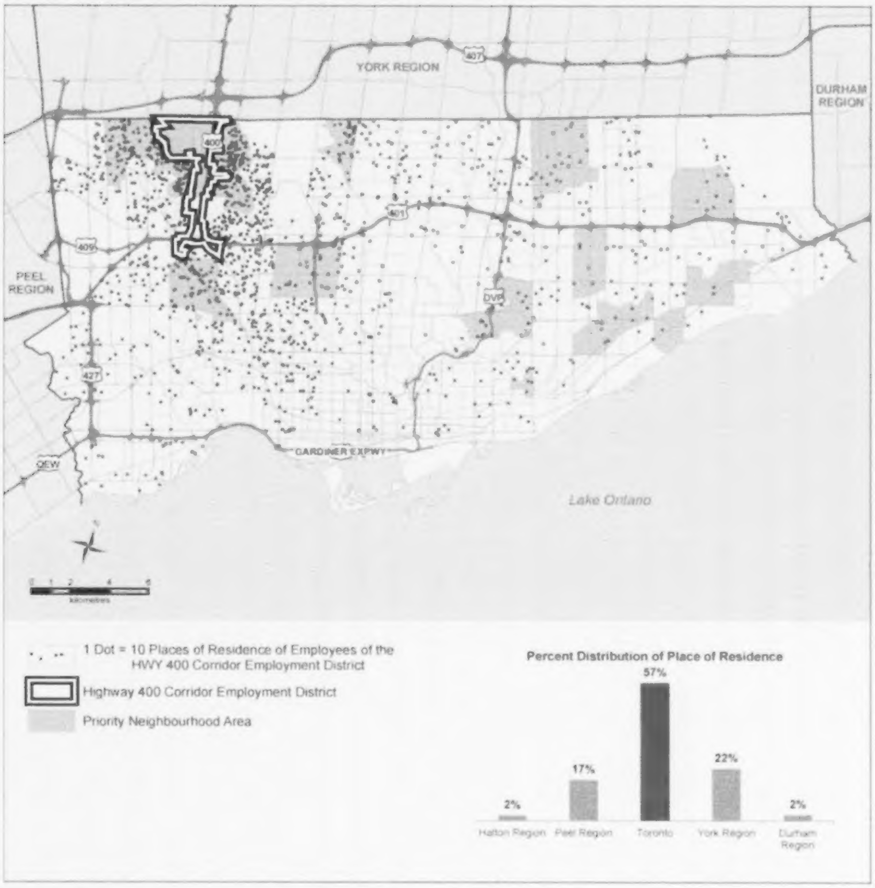
Source: *Toronto Employment Survey, 2011.*

Figure 3.11: Building Permits for Industrial Uses, 2006 – 2010


ALBION RD
FINCH
REXDALE BLVD
ISLINGTON AVE
KIPLING AVE
WESTON RD
400
409
427
JANE ST
KEELE ST
SHEPPARD AVE
WILSON AVE
LAWRENCE AVE
DIXON RD
RATHBURN RD
ROYAL YORK RD
ST CLAIR AVE
DAVENPORT RD
DUFFERIN ST
BLOOR ST
LANSDOWNE AVE
OSSINGTON AVE
BATHURST ST
AVENUE RD
YONGE ST
JARVIS ST
PARLIAMENT ST
FRONT ST
DUNDAS ST
BAYVIEW AVE
LESLIE ST
DON MILLS RD
DVP
404
PAPE AVE
COXWELL AVE
DANFORTH AVE
VICTORIA PARK AVE
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
MCCOWAN RD
ELLESMERE RD
KINGSTON RD
PORT UNION RD
ALTONA RD
Lake Ontario
Building Permits (2006-2010)
Industrial Use
New Building - $275,802,984
Additions - $81,661,880
Alterations and other modifications, site service, maintenance, safety and upgrades - $605,294,544

Source: Toronto City Planning Department.

Figure 3.12: Place of Residence for Employment in the Hwy 400 Corridor Employment District


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
0 1 2 4 6
Kilometres
1 Dot = 10 Places of Residence of Employees of the HWY 400 Corridor Employment District
Highway 400 Corridor Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
2%
17%
57%
22%
2%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Malone Given Parsons Ltd., Toronto City Planning Department.

3.2.2 Toronto's ability to sustain a continued supply of a mix of new office space is uncertain

There is 202 million sq. ft. of office space in the GTA, one of the five largest concentrations of office space in North America. Construction of new office space has averaged 3.9 million sq. ft. per year since 1980, making this region the fastest growing office market in North America. Office buildings have replaced industrial buildings as the place where the majority of people work. Notwithstanding the importance of manufacturing and related employment, the new economy based on technology and financial services has rapidly out-performed the manufacturing sector in the City of Toronto. Most of those new economy jobs are located in office buildings. Figure 3.13 shows the geography of jobs in office buildings within the city's employment localities.

Figure 3.13: The Distribution of Jobs in Office Buildings by Locality

Locality	Jobs	%
Downtown and Central Waterfront	422,100	61.1%
Centres	72,300	10.5%
Employment Districts	98,500	14.2%
Employment Areas Outside of Districts	6,400	0.9%
Avenues	47,800	6.9%
Mixed Use Outside of Avenues	35,100	5.1%
Institutional Areas	1,200	0.2%
All Other Areas	7,700	1.1%
TOTAL	**691,100**	**100%**

Source: Real Estate Search Corporation.

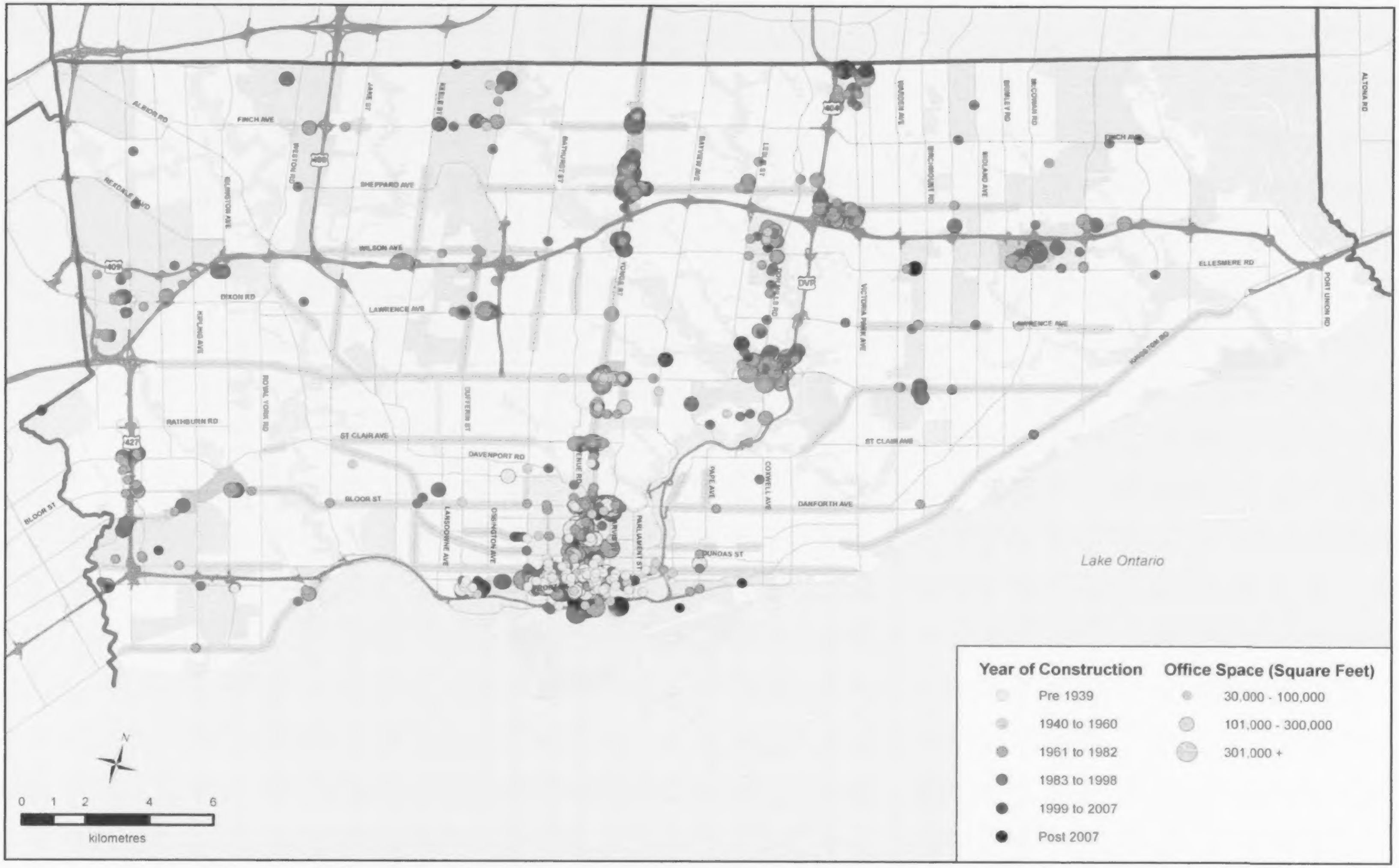
The GTA region has experienced two significant growth periods over the past 30 years. These saw the supply of office buildings rise from 74 million sq. ft. to its current 200+ million sq. ft. Toronto and the GTA have been significant beneficiaries as the new economy emerged from the post-industrial period. At almost 300% growth in 30 year's time, this change in where people work and what they do is having a dramatic effect on the use of land in the GTA.

The expansion of employment in office buildings transformed the location and land use profile of jobs in the GTA. Until the early 1980's all office space in the GTA was located primarily in the core of the city. Although employment in office space in the City of Toronto has doubled in 30 years it is still predominantly located in the downtown core. Less than 25% of these office buildings are located in designated "employment areas" (see Figures 3.14 and 3.15).

Parallel to the growth in the city was the unprecedented growth of office space in the 905 (see Figure 3.16). Sixty five million sq. ft. of office space, equivalent to half of the city's total, is now located in the suburban 905 regions (see Figure 3.17). The 905 generated over 200 new buildings between 20,000 - 250,000 sq. ft., located in office or industrial parks with next to no transit, retail, amenities or pedestrian-oriented street life from 1999 to 2011. Their primary attraction has been low cost space in a more certain decision/risk environment.

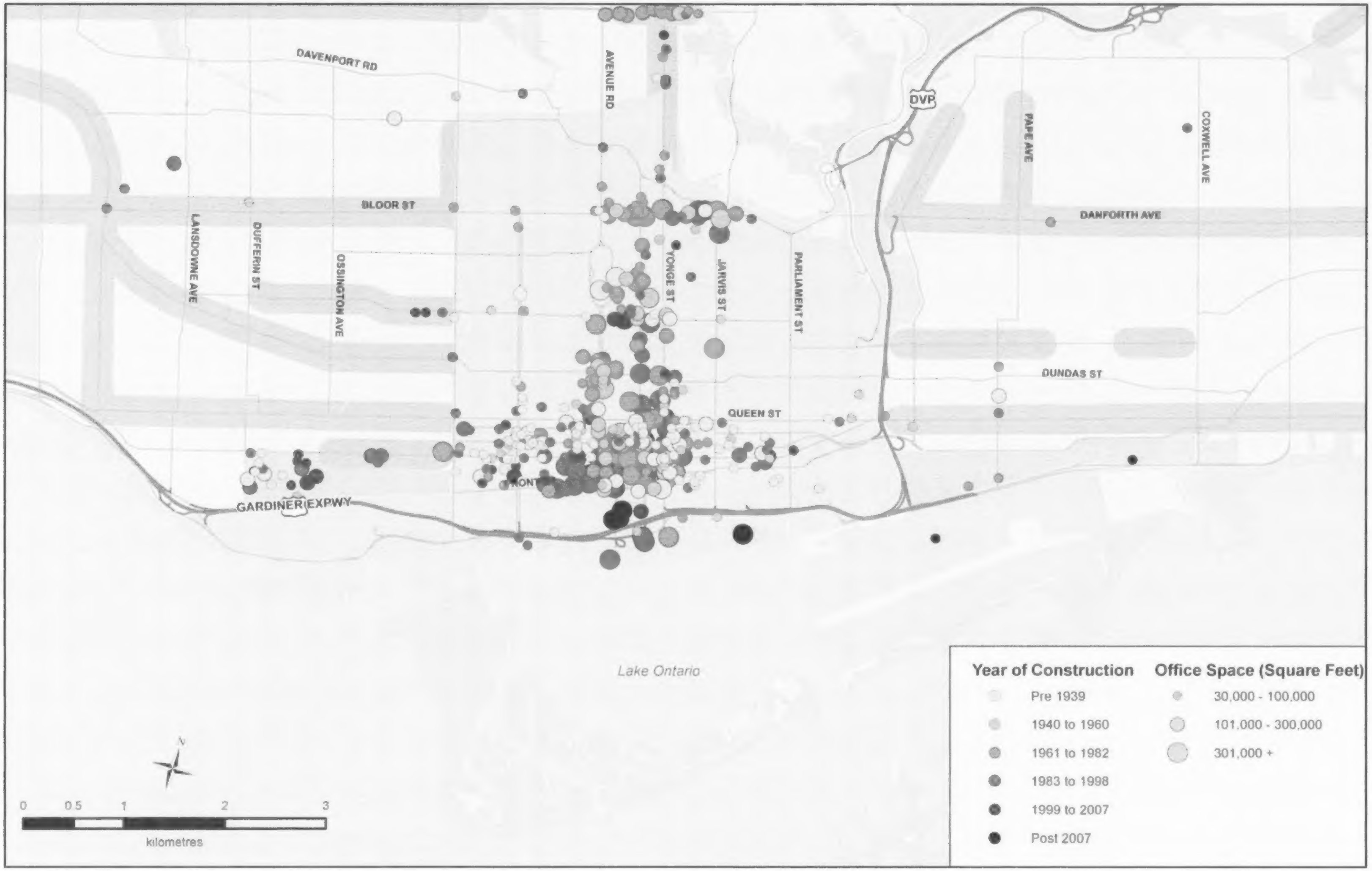
With the past decade's increase in residential growth in the urban core, new challenges have emerged which are restricting the natural growth of employment space in the city on the one hand, while, at least anecdotally, invigorating demand for that space on the other.

Figure 3.14: Office Space in Toronto


FINCH AVE
SHEPPARD AVE
WILSON AVE
LAWRENCE AVE
DIXON RD
RATHBURN RD
ST CLAIR AVE
DAVENPORT RD
BLOOR ST
DANFORTH AVE
DUNDAS ST
ELLESMERE RD
KINGSTON RD
ALBION RD
REXDALE BLVD
ISLINGTON AVE
KIPLING AVE
ROYAL YORK RD
WESTON RD
JANE ST
KEELE ST
DUFFERIN ST
BATHURST ST
YONGE ST
BAYVIEW AVE
LESLIE ST
DON MILLS RD
VICTORIA PARK AVE
PAPE AVE
COXWELL AVE
PARLIAMENT ST
LANSDOWNE AVE
OSSINGTON AVE
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
McCOWAN RD
ALTONA RD
PORT UNION RD
409
400
401
404
427
DVP
Lake Ontario
N
0 1 2 4 6
kilometres
Year of Construction
Pre 1939
1940 to 1960
1961 to 1982
1983 to 1998
1999 to 2007
Post 2007
Office Space (Square Feet)
30,000 - 100,000
101,000 - 300,000
301,000 +

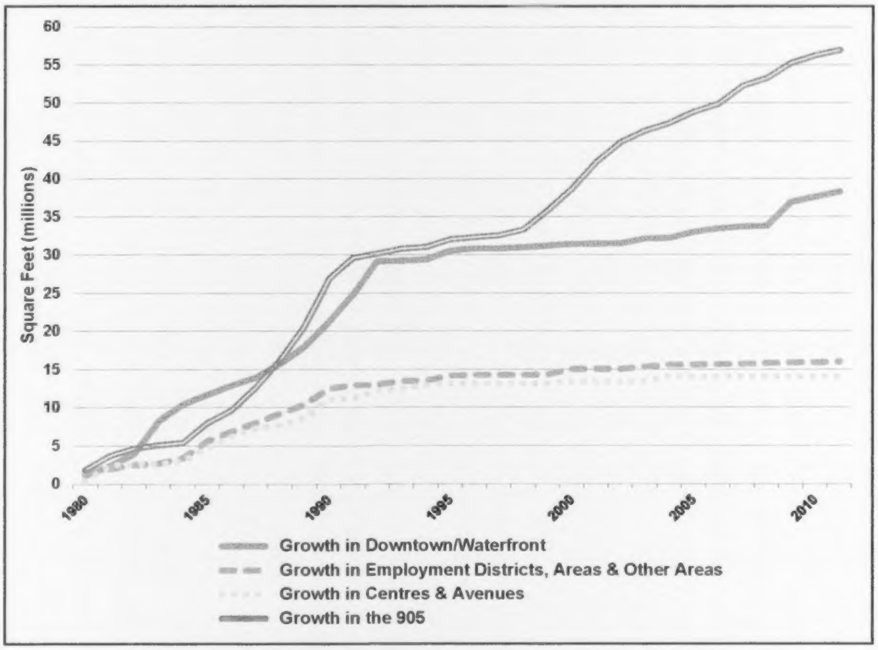
Source: Real Estate Search Corporation.

Figure 3.15: Office Space in the Downtown and Central Waterfront Area


DAVENPORT RD
AVENUE RD
DVP
PAPE AVE
COXWELL AVE
BLOOR ST
DANFORTH AVE
LANSDOWNE AVE
DUFFERIN ST
OSSINGTON AVE
YONGE ST
JARVIS ST
PARLIAMENT ST
DUNDAS ST
QUEEN ST
FRONT
GARDINER EXPWY
Lake Ontario
N
0
0.5
1
2
3
kilometres
Year of Construction
Pre 1939
1940 to 1960
1961 to 1982
1983 to 1998
1999 to 2007
Post 2007
Office Space (Square Feet)
30,000 - 100,000
101,000 - 300,000
301,000 +

Source: Real Estate Search Corporation.

Figure 3.16: Office Growth in Toronto and the 905, 1980 – 2011



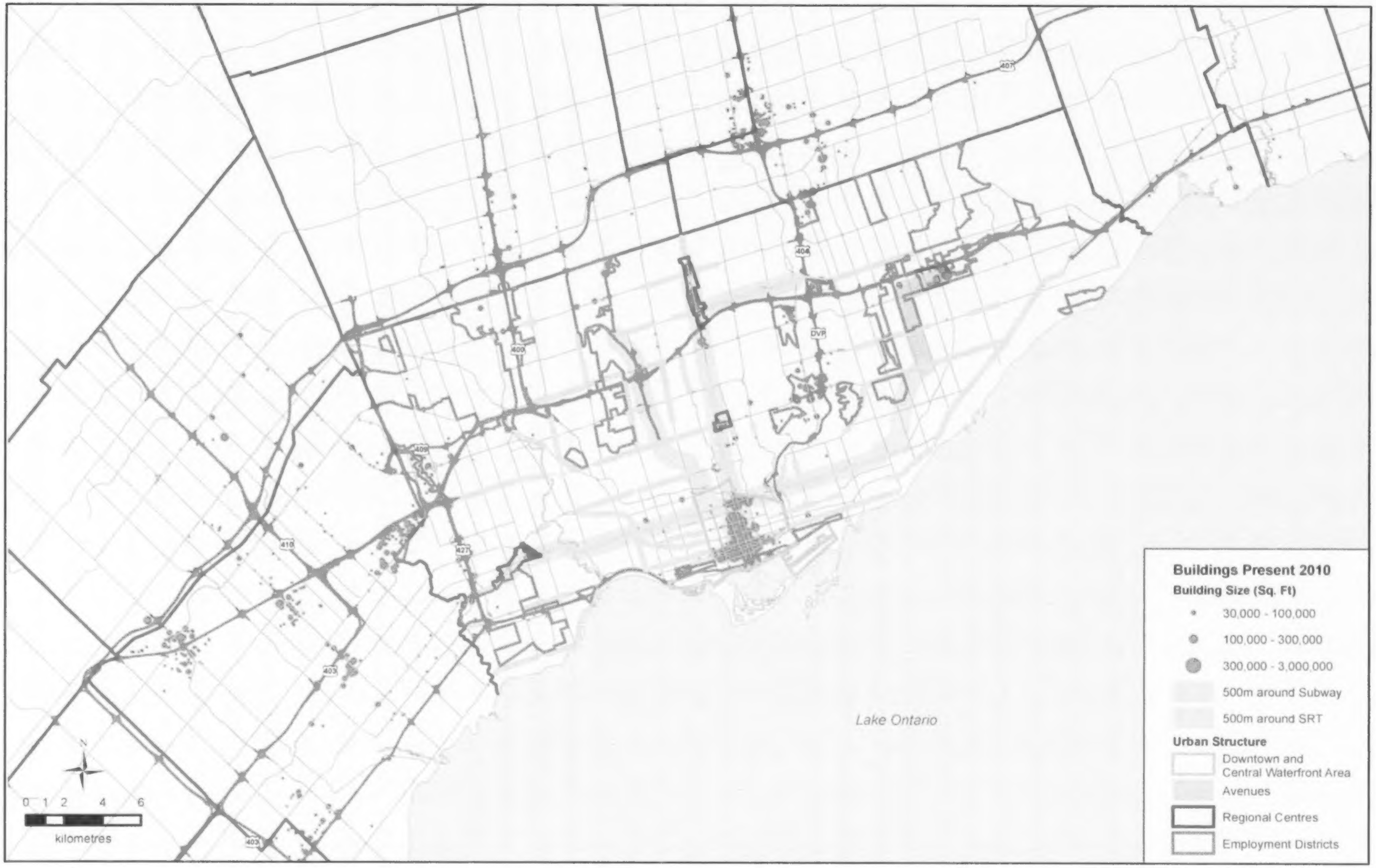
Source: real Estate Search Corporation

Virtually no office employment growth has occurred off the Yonge subway corridor or outside the downtown. This is a reality which goes beyond zoning or availability of land or labour markets. Questions such as why would the Consumers Road Business Park not attract any new office buildings or why has Scarborough Centre's employment base actually declined in the past 25 years cannot be answered by addressing land use or zoning issues alone.

The high-order transit-served Centres and Business Parks share excellent availability of sites, proximity to labour and no significant restrictions on what can be built. Yet they have not attracted any significant employment growth since the early 1990's (see Figures 3.18 and 3.19). This reality has emerged through an era of significant growth in the rest of the GTA.

The history of early development of new office space in these areas, and the factors underlying their lack of subsequent growth and the City's inability to provide new office space in smaller modules are complex (see Appendix 3A.3). They include:

Figure 3.17: Office Space in Toronto and the 905, 2010


407
404
DVP
400
409
410
427
403
403
Lake Ontario
N
0 1 2 4 6
kilometres
Buildings Present 2010
Building Size (Sq. Ft)
30,000 - 100,000
100,000 - 300,000
300,000 - 3,000,000
500m around Subway
500m around SRT
Urban Structure
Downtown and Central Waterfront Area
Avenues
Regional Centres
Employment Districts

Source: Real Estate Search Corporation.

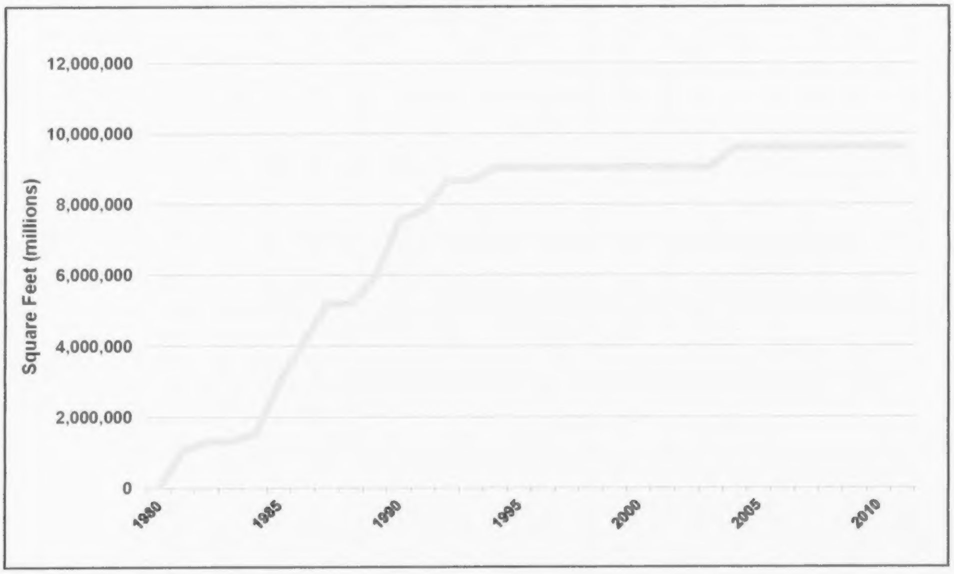
- Initial entrepreneurial buy-in to transit-supported office centres;
- Subsequent failure of the market to find these locations compelling vs. other alternatives;
- The challenges to delivering new space to mid-size tenants in market-competitive time-frames in Toronto vs. the 905;
- Increasing competition for potential office sites from higher intensity and value residential condo development.

Lack of commercial vs. residential market interest in these areas stands in stark contrast to the growth experience in the city's King-Spadina and King Parliament "Brick and Beam" precincts. The combination of proximity to the core, transit accessibility, convertible space and a rich set of urban amenities fueled absorption of 18 million sq.ft. of office space over the same +/- 25 year period. As explored further in the "Amenitization and Multi-Functionality" Case Study in Appendix 2, enabling a richer mix of uses, perhaps including residential, may provide a means of enlivening the otherwise moribund Business Park locations for office growth. Residential permissions in the Centres however have not brought office growth, and in fact in some instances are getting in the way of potential office space development through conversions.

More comprehensive responses will be required to attract market competitive mid-size office space modules to these areas and the Downtown. One competitive barrier relates to the risks attached to time to develop in the city vs. the 905. Tenants who are large enough and who have the credit to be able to have a building built for their needs need to be able to have the building completed and ready for their use in less than 3 years. Some in the high tech sector may need a new building in as little as 1 year. To meet this time constraint, municipalities who have the stock of "development ready" sites will attract the investment in supply. In this context, "development ready" essentially means that there is risk-free certainty about the approvable building form and the approvals timeline to the start of construction.

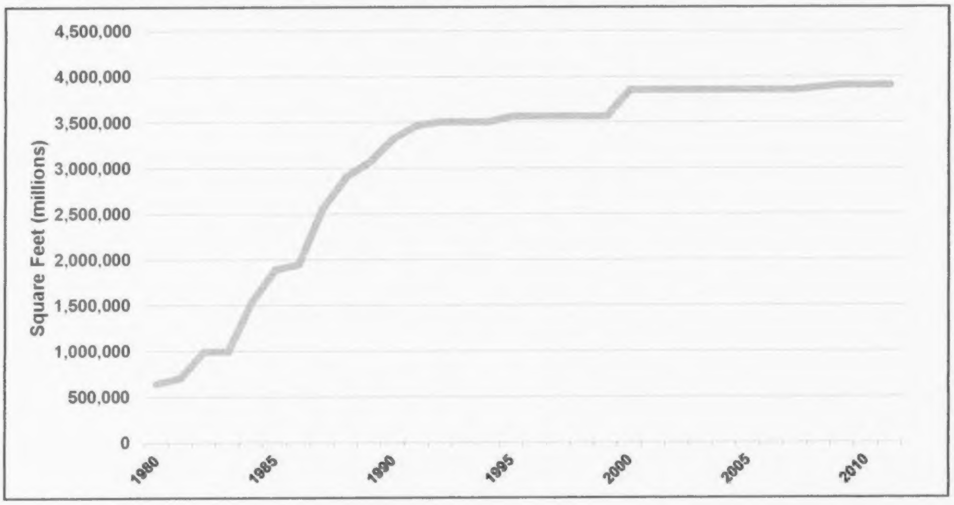
Time required to actually build the building is usually not too different between municipalities, but increasingly, the pre-construction process when added to the construction time period in mixed-use areas is prohibitively more uncertain and longer than the tenant can tolerate and meet their schedule. Business parks in the 905 have the ability to deliver buildings in a timely manner when mixed-use areas in the city simply cannot. Finding a solution that enables this certainty in Toronto is considered key to its ability to competitively attract small to mid-sized office buildings.

Figure 3.18: Growth in Office Space in Centres



Source: Real Estate Search Corporation

Figure 3.19: Growth in Office Space in Employment Districts including Business Parks

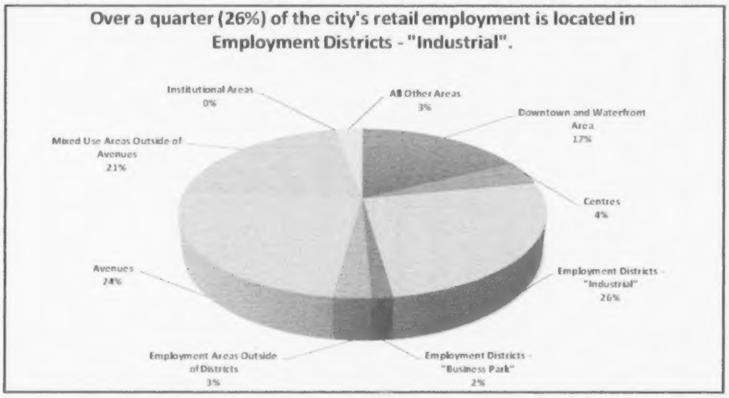


Source: Real Estate Search Corporation

3.2.3 Toronto's growth in retail and service space has largely occurred on the edges of employment areas, but new more mixed use models are emerging

Retail and service employment is an important component of the city's employment base representing 22% of the city's total jobs. The largest portion, over a quarter (26%), of the retail employment, is located in Employment District - "Industrial" areas, followed by Avenues (24%), and Mixed Use Areas Outside Avenues (21% - see Figure 3.20).

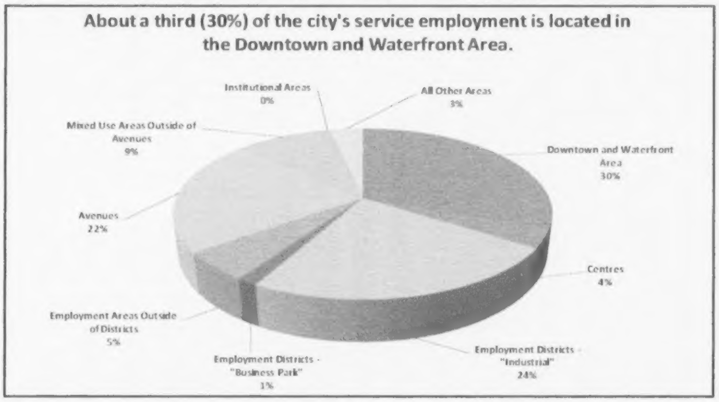
Figure 3.20: Distribution of Toronto's Retail Employment



Source: Toronto Employment Survey 2011

The largest portion, almost a third (30%) of service employment, is located in the Downtown and Waterfront Area, followed by Employment Districts - "Industrial" (24%), and the Avenues (22% - see Figure 3.21).

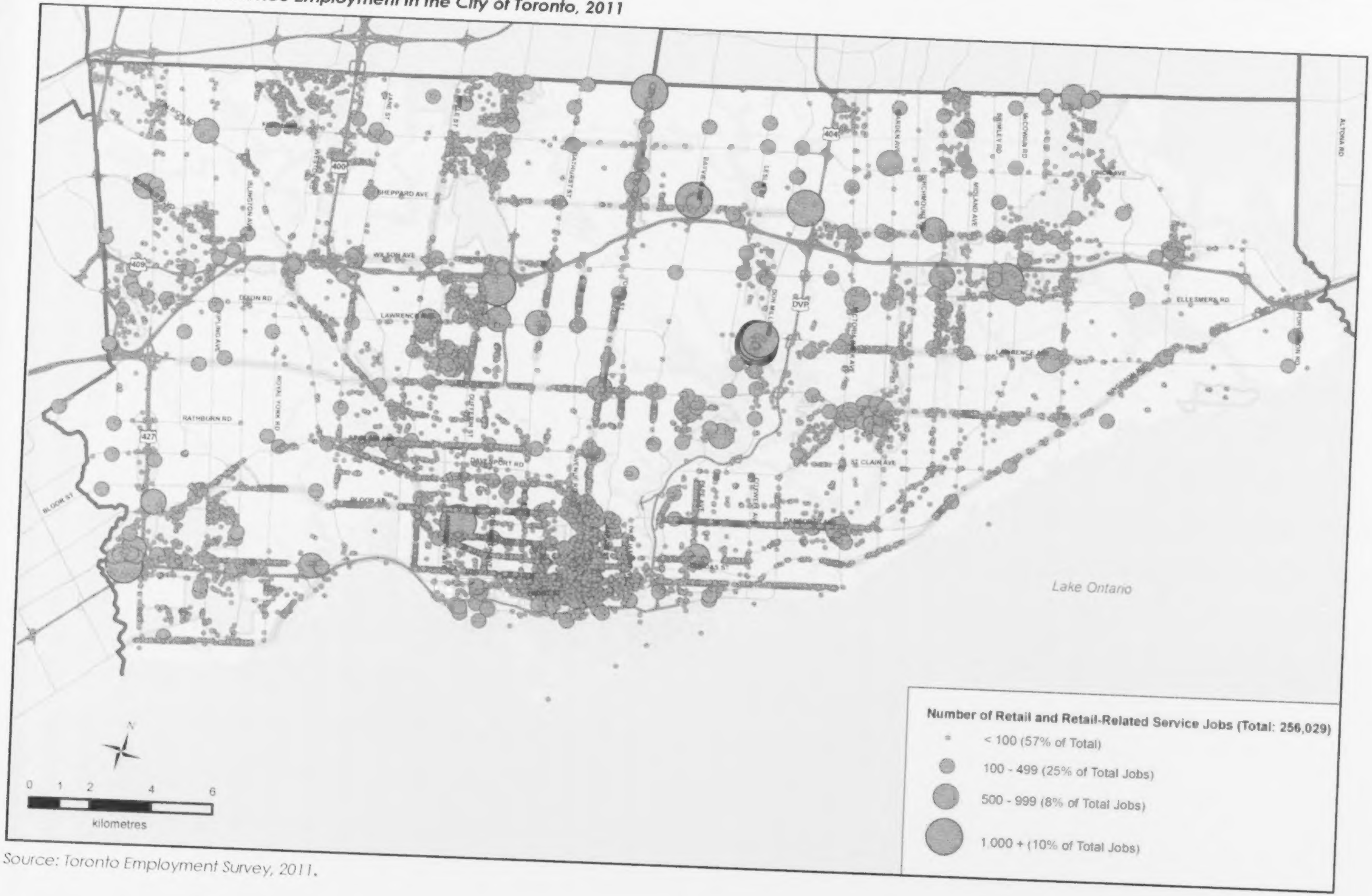
Figure 3.21: Distribution of Toronto's Service Employment



Source: Toronto Employment Survey 2011

Retail and service employment is distributed throughout the city with clusters in the Downtown, along Avenues, Mixed Use Areas, and at edges of Employment Districts (see Figure 3.22). An increasing portion of retail employment is located in the city's Employment Districts - "Industrial" areas; an increasing portion of service employment is located in the Downtown and Waterfront Area.

Figure 3.22: Retail and Service Employment in the City of Toronto, 2011


STEELES AVE
SHEPPARD AVE
WILSON AVE
LAWRENCE AVE
DIXON RD
RATHBURN RD
BLOOR ST
DAVENPORT RD
ST CLAIR AVE
ELLESMERE RD
FINCH AVE
KINGSTON RD
FRONT ST
JANE ST
KEELE ST
BATHURST ST
BAYVIEW AVE
LESLIE ST
DON MILLS
VICTORIA PARK AVE
KENNEDY RD
MIDLAND AVE
BIRCHMOUNT RD
BRIMLEY RD
MCCOWAN RD
ISLINGTON AVE
KIPLING AVE
ROYAL YORK RD
WESTON RD
PORT UNION RD
ALTONA RD
DANFORTH AVE
400
404
409
427
DVP
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Retail and Retail-Related Service Jobs (Total: 256,029)
< 100 (57% of Total)
100 - 499 (25% of Total Jobs)
500 - 999 (8% of Total Jobs)
1,000 + (10% of Total Jobs)

Source: Toronto Employment Survey, 2011.

Figure 3.23 illustrates the distribution of shopping centres in Toronto by centre type, size, and opening date. The shopping centres are distributed throughout the city with clusters in the Downtown area, along major streets, and paralleling Highway 401.

The map illustrates a complete structure of shopping centre sizes ranging from smaller shopping centres and convenience plazas (less than 200,000 sq. ft.), to neighbourhood and community shopping centres (200,000 to 500,000 sq. ft.), sub-regional or district shopping centres (500,000 to 1,000,000 sq. ft.), and super-regional shopping centres (1,000,000 sq. ft. and over).

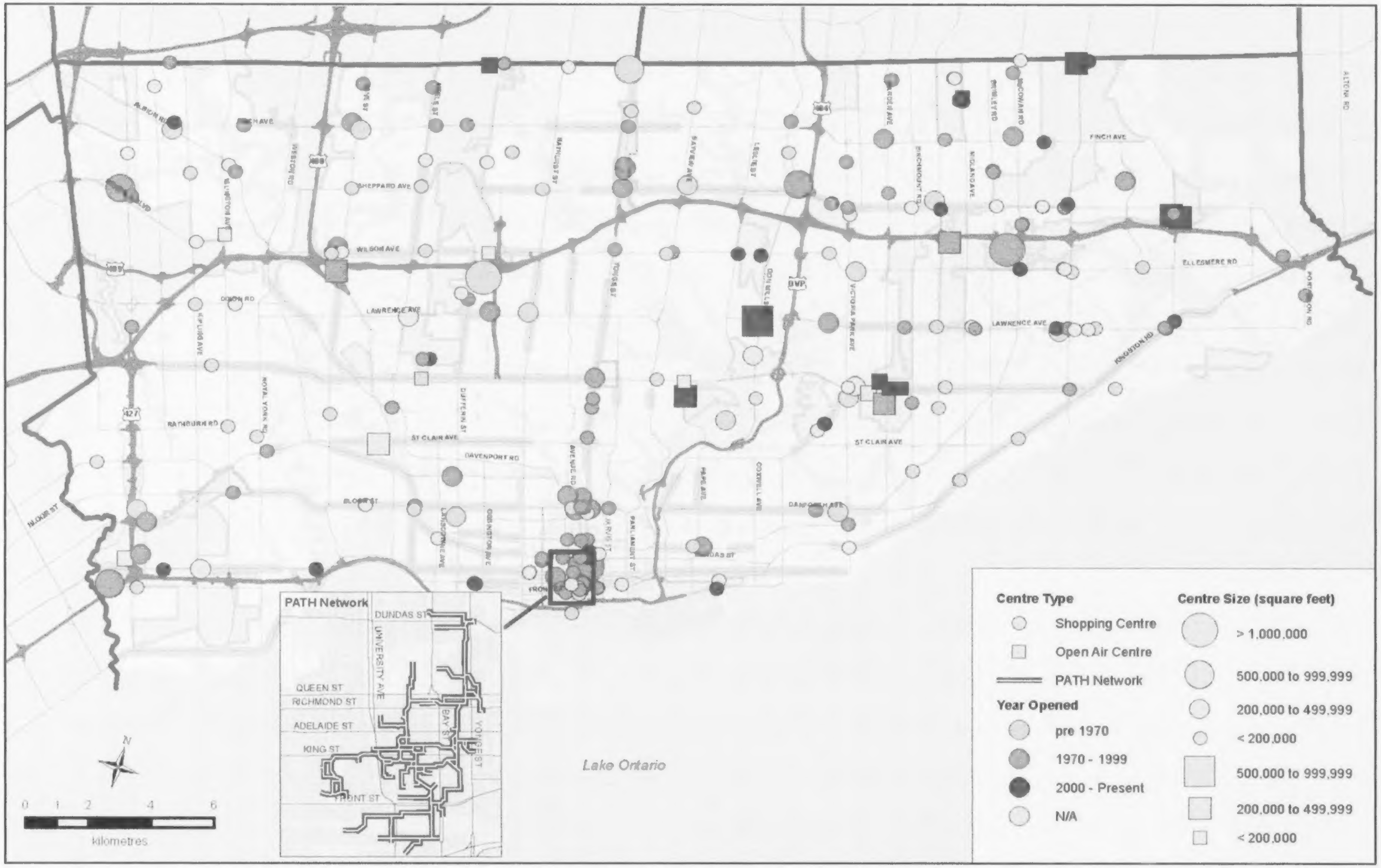
Recent development trends are also evident in Figure 3. 23. Development of open-air centres has characterized development trends of the last ten years. The map illustrates the location of several open-air centres at the edge of Employment Districts with frontage onto major streets. The edge of Employment Districts satisfy location criteria of retailers and open-air centres including frontage onto major streets, excellent visibility and access, large available land parcels to accommodate the shopping centre size and associated parking, access to transit, and access to a local and non-local residential population base.

Enclosed fashion oriented shopping centres have not been built in recent years. The enclosed fashion oriented shopping centres of over one million square feet including the Eaton Centre, Yorkdale, and Scarborough Town Centre, were built about 35-45 years ago. These three shopping centres have expanded and/or have been renovated within the past few years.

Smaller sized neighbourhood and convenience shopping centres and free standing stores and services are distributed throughout the city, many of which are located along the Avenues. The retail and service uses along the Avenues serve the convenience and day-to-day needs of residents in the surrounding neighbourhood areas.

The Centres (Scarborough, North York, Etobicoke, and Yonge-Eglinton Centre) have a small portion of the city's retail and service employment, only about 4%. Scarborough Centre includes the largest concentration of retail and service space represented by the Scarborough Town Centre shopping centre

Figure 3.23: Shopping Centres in the City of Toronto by Size, Type, and Age


FINCH AVE
SHEPPARD AVE
WILSON AVE
LAWRENCE AVE
ELLESMERE RD
KINGSTON RD
ST CLAIR AVE
DAVENPORT RD
BLOOR ST
DANFORTH AVE
DUNDAS ST
RATHBURN RD
BLOOR ST
DIXON RD
KIPLING AVE
ROYAL YORK RD
WESTON RD
BATHURST ST
YONGE ST
BAYVIEW AVE
LESLIE ST
DON MILLS
DVP
VICTORIA PARK AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
MCCOWAN RD
PORT UNION RD
ALTONA RD
DUFFERIN ST
AVENUE RD
JARVIS ST
PARLIAMENT ST
COXWELL AVE
PAPE AVE
LANSDOWNE AVE
OSSINGTON AVE
427
401
400
404
Lake Ontario
N
0 1 2 4 6
kilometres
PATH Network
DUNDAS ST
QUEEN ST
RICHMOND ST
ADELAIDE ST
KING ST
FRONT ST
UNIVERSITY AVE
BAY ST
YONGE ST
Centre Type
○ Shopping Centre
☐ Open Air Centre
PATH Network
Year Opened
pre 1970
1970 - 1999
2000 - Present
N/A
Centre Size (square feet)
> 1,000,000
500,000 to 999,999
200,000 to 499,999
< 200,000
500,000 to 999,999
200,000 to 499,999
< 200,000

Source: Directory of Shopping Centres 2012, Toronto Employment Survey 2011, TORONTOPATH.com, and MGP information

Considering the recent residential condo development in the North York Centre and Yonge-Eglinton Centre, there has not been a lot of new retail development in those areas other than convenience oriented retail and service uses.

The Downtown has a variety of retail and service commercial facilities including the super-regional and enclosed Eaton Centre shopping centre, various stores and services of the underground PATH system, clusters of space along the Avenues including high end shops along Bloor Street, unique stores and various national chains along Queen Street, and ethnic clusters such as the Danforth, among others. The Bloor-Yorkville area functions as a premier high end and fashion-oriented shopping area including several designer boutiques and flagship stores. The Downtown also accommodates a range of entertainment facilities, tourist attractions, theaters, sporting facilities, restaurants and bars.

The PATH network in the Downtown and Waterfront area is the largest underground shopping complex in the world. The PATH covers 28 kilometres with about 370,000 sq.m. (4 million sq.ft.) of retail and service commercial space providing employment for about 5,000 people. The PATH network provides an important service to the office employment, residents, and tourists of the Downtown and Waterfront Area. However, many of the stores and services are not open after 6:00 pm weeknights or on weekends.

Development trends in the Downtown and Waterfront area include smaller sized and "urban format" supermarkets in the 15,000-30,000 sq.ft. range with a focus on prepared foods and servicing the convenience and day-to-day needs of the residential and office employment populations in the Downtown. With smaller sized land parcels available in the Downtown, retail development trends include smaller store formats and multi-level developments including above and below grade. Recent trends also include large size drug stores of about 15,000 sq. ft. that offer a wide range of health and beauty care products as well as food and general merchandise.

Other retail stores, restaurants, and services in the Downtown primarily target the convenience and day-to-day needs of the evolving residential and office populations in the area. Furniture and furnishings stores have also increased in number over the past several years. Until recently, higher order, comparison shopping and fashion oriented stores have not followed the development trends of the supermarkets, convenience oriented stores and services, and furniture stores in the Downtown and Waterfront area.

Reference to development applications illustrates the continuing interest for new retail and service commercial development in the Downtown and Waterfront Area (about 26% of total retail and service space in development applications) and Employment Districts "Industrial" (24% of total retail and service space in development applications). It is noted that a large portion of the city's large vacant land parcels are located in Employment Districts, in particular the Tapscott, Weston Road Junction, North West Etobicoke, Rexdale, and Milliken Districts. The Avenues account for about 10% of the city's total retail space in development applications while Centres represent about 7% of total retail space in development applications.

Toronto has less retail and service space per capita in "big box" and power centre categories relative to other municipalities in the GTA (see Figure 3.24). Compared with other municipalities in the GTA, Toronto has a greater portion of its retail and service space along commercial strips.

This suggests need and demand for higher order comparison and shopping centre type retail and service uses to service the City of Toronto today and in future years.

Figure 3.24: Supply of Retail and Service Space in Toronto vs. Other GTA Municipalities

		Shopping Centres		Big Box and Power Centres		Commercial Strips	
	2011 Census Population [1]	**Shopping Centres (sq.ft.) (Directory of Shopping Centres)[2]**	**Space (sq.ft.) Per Cap**	**Big Box and Power Centres (sq.ft.) (CSCA)[3]**	**Space (sq.ft.) Per Cap**	**# of Stores and Services in Commercial Strips (CSCA)[4]**	**# of People Per Store and Services**
City of Toronto	2,615,100	36,375,300	13.9	16,894,100	6.5	19,308	135
Other GTA	3,438,800	67,179,900	19.5	36,571,600	10.6	7,311	470
Total GTA	**6,053,900**	**103,555,200**	**17.1**	**53,465,700**	**8.8**	**26,619**	**227**

Notes:

Centre for the Study of Commercial Activity ("CSCA") "Big Box" definition: Stores ranging in size from 5,000 sq.ft. to 150,000+ sq.ft.

CSCA "Commercial Strip" definition: Retail and service space along arterial roads, either at grade, above or below grade (excluding enclosed malls).

Source:

(1) 2011 Statistics Canada Census Population, excludes undercount.

(2) 2012 Canadian Directory of Shopping Centres and MGP

(3) CSCA Toronto Area Big Box & Power Centre Summary Tables 2011

(4) CSCA Toronto Area Commercial Strip Summary Tables 2011

3.3 The city's Institutional Areas continue to grow jobs through intensification

With reference to Figures 3.4 and 3.5, it is evident that Toronto's Institutional sector was the city's largest growth engine over the 2001 to 2011 period, generating over 43,000 jobs. Roughly a third were added through intensification on existing designated Institutional sites, with hospital expansions outweighing college and university expansions by a ratio of roughly 2:1.

This performance highlights the importance of these uses' respective land bases to their future growth potential.

3.4 Toronto is nearly out of vacant land, and can't expand

Toronto's stock of occupied and vacant lands is characterized with reference to both the total area by employment locality, and by parcel size distribution for vacant lands. Total gross, net, vacant and occupied land areas, and job densities, are described in Figure 3.25, as is each locality's contribution to the City's non-residential assessment base. Vacant land areas are mapped in Figure 3.26.

In overview, the Employment Districts – "Industrial" are the largest land base at 7,235 net ha. They have 625 vacant ha or roughly 2/3's of the city's vacant land stock. The largest concentrations of vacant industrial land occur on still building-out lands in the northeast portion of the Tapscott Employment District, in the central portion of the Milliken District and in Northwest Etobicoke and Rexdale. Otherwise, vacant lands are fairly evenly distributed across the Districts and Centres (excepting Yonge-Eglinton).

The Employment District – "Business Parks" show a low quantum of vacant land at under 19 ha. Almost half of that amount is in the Consumers Road Employment District. Otherwise, with the exception of the Avenues, the locality types generally show in the order of 10% of their land bases to be vacant. This level of vacancy is in the range many analysts consider to be indicative of "full" build-out. While the inventory still includes large parcels, it is important to highlight the fact that these lands are all the city has to sustain future industrial and related growth – there is no opportunity to expand Toronto's settlement or municipal boundaries.

Net job densities on occupied lands are generally high, if not remarkably so. The Downtown & Central Waterfront density exceeds 480 jobs/ha, the Centres average 240, the Business Parks over 130 jobs/ha. Employment Areas outside of

Districts and the Employment Districts – "Industrial" job densities respectively achieve job densities of over 61 and 45 jobs/occupied ha.

As already stated, the Downtown & Central Waterfront supports the City's highest jobs count. Its 442,000 jobs on roughly 1,040 net ha exceeds the 390,000 jobs supported on the 8,300 net ha of the Employment Districts and Areas combined.

From a scale and contribution to assessment perspective, the Downtown and Central Waterfront Area represents roughly 9% of the net employment supporting land base, but generates 42% of the City's non-residential assessment base. Employment Districts and Areas together represent almost 75% of the land base, and almost 27% of total non-residential assessment.

Figure 3.25: Total Vacant and Occupied Land Areas and Job Densities

Geography	Gross Land Area (ha)	Net Land Area (ha)	Vacant Land Area (ha)	% Vacant	Occupied Land Area (ha)	Jobs	Jobs/Gross (ha)	Jobs/Net Occupied (ha)	Assessed Value	% Contribution to City's Non-Res Assessment
Downtown and Central Waterfront	2,146	1,043	113	10.8%	930	441,957	205.9	475.1	$33,857,791,298	41.98%
Subtotal	**2,146**	**1,043**	**113**	**10.8%**	**930**	**441,957**	**205.9**	**475.1**	**$33,857,791,298**	**41.98%**
Centres										
North York Centre	178	115	10	8.4%	105	36,539	204.8	346.7	$2,290,565,006	2.84%
Scarborough Centre	175	116	12	10.6%	103	15,033	86.0	145.4	$953,827,887	1.18%
Yonge Eglinton Centre	61	48	0	0.6%	48	16,876	276.5	352.3	$878,135,074	1.09%
Etobicoke Centre	164	78	11	14.4%	66	8,837	53.9	133.1	$471,147,656	0.58%
Subtotal	**578**	**357**	**34**	**9.4%**	**323**	**77,285**	**133.7**	**239.2**	**$4,593,675,623**	**5.70%**
Employment District - Industrial										
ED - Liberty	70	49	10	21.0%	38	8,137	115.9	211.9	$411,077,322	0.51%
ED - South Etobicoke	1,254	987	70	7.1%	917	38,852	31.0	42.4	$2,228,769,352	2.76%
ED - Airport Corporate Centre	26	24	9	37.9%	15	1,141	44.2	75.6	$69,126,273	0.09%
ED - South of Eastern	77	69	11	15.3%	59	3,915	50.6	66.9	$208,160,890	0.26%
ED - Weston Road Junction	65	59	31	52.9%	28	1,653	25.4	59.5	$99,807,498	0.12%
ED - Tapscott Marshalling Yard	1,139	935	175	18.7%	760	30,745	27.0	40.4	$1,990,122,017	2.47%
ED - Milliken	208	178	44	24.6%	135	7,425	35.7	55.2	$550,079,449	0.68%
ED - West Central Scarborough	345	281	7	2.3%	275	15,516	44.9	56.5	$884,501,102	1.10%
ED - South West Scarborough	469	409	47	11.4%	362	18,984	40.5	52.4	$1,089,554,205	1.35%
ED - Dufferin Keele North	706	587	21	3.5%	566	33,092	46.9	58.4	$1,622,319,518	2.01%
ED - Dufferin Keele South	744	651	18	2.7%	634	24,899	33.5	39.3	$1,145,701,504	1.42%
ED - Scarborough HWY 401 Corridor	372	303	13	4.4%	289	16,669	44.8	57.6	$1,062,696,995	1.32%
ED - South East Scarborough	123	99	9	9.1%	90	916	7.5	10.2	$93,478,308	0.12%
ED - North West Etobicoke	438	371	42	11.4%	328	12,767	29.2	38.9	$977,860,030	1.21%
ED - DVPC Leaside Office Park	152	122	5	4.4%	116	6,402	42.2	55.1	$292,027,941	0.36%
ED - Rexdale	1,604	1,245	67	5.4%	1,178	38,849	24.2	33.0	$2,738,281,079	3.40%
ED - DVPC Leaside Industrial Park	114	100	16	16.2%	84	4,546	39.7	54.4	$385,869,278	0.48%
ED - HWY 400 Corridor	1,024	767	30	3.9%	737	32,435	31.7	44.0	$2,166,732,602	2.69%
Subtotal	**8,929**	**7,235**	**625**	**8.6%**	**6,611**	**296,943**	**33.3**	**44.9**	**$18,016,165,363**	**22.34%**
Employment District - Business Park										
ED - DVPC Consumers Road	86	79	9	10.8%	70	18,142	210.4	258.1	$598,882,123	0.74%
ED - DVPC Don Mills	135	115	1	1.0%	114	11,385	84.3	99.9	$426,262,501	0.53%
ED - DVPC Lesmil	163	139	5	3.9%	134	17,604	108.1	131.7	$547,454,845	0.68%
ED - Woodbine / Steeles / VP	155	139	2	1.7%	137	12,500	80.9	91.4	$602,396,925	0.75%
Subtotal	**539**	**472**	**18**	**3.7%**	**455**	**59,631**	**110.7**	**131.1**	**$2,174,996,394**	**2.70%**
Employment Area Outside Of District										
EACluster Railside Carnforth	63	53	1	1.7%	53	3,254	51.6	62.0	$183,441,679	0.23%
EACluster Danforth	105	97	4	4.0%	93	3,378	32.1	36.4	$186,174,398	0.23%
EACluster Junction	167	152	31	20.3%	122	7,150	42.9	58.8	$433,338,364	0.54%
EACluster Lansdowne Dupont	74	68	4	6.2%	64	6,645	89.9	104.6	$240,826,784	0.30%
EACluster Thorncliffe	29	27	0	0.0%	27	3,741	129.4	139.1	$72,775,477	0.09%
EACluster All Other	246	200	21	10.7%	179	8,532	34.7	47.7	$331,542,027	0.41%
Subtotal	**684**	**597**	**61**	**10.2%**	**536**	**32,700**	**47.8**	**61.0**	**$1,448,098,729**	**1.80%**
Avenues	4,720	1,574	69	4.4%	1,505	165,079	35.0	109.7	$12,506,551,433	15.51%
Subtotal	**4,720**	**1,574**	**69**	**4.4%**	**1,505**	**165,079**	**35.0**	**109.7**	**$12,506,551,433**	**15.51%**
Mixed Use Outside of Avenue and Other*									$8,058,442,545	9.99%
Subtotal									**$8,058,442,545**	**9.99%**
Total	**17,596**	**11,278**	**919**	**5.2%**	**10,360**	**1,073,595**	**61.0**	**103.6**	**$80,655,721,385**	**100.00%**

Notes:

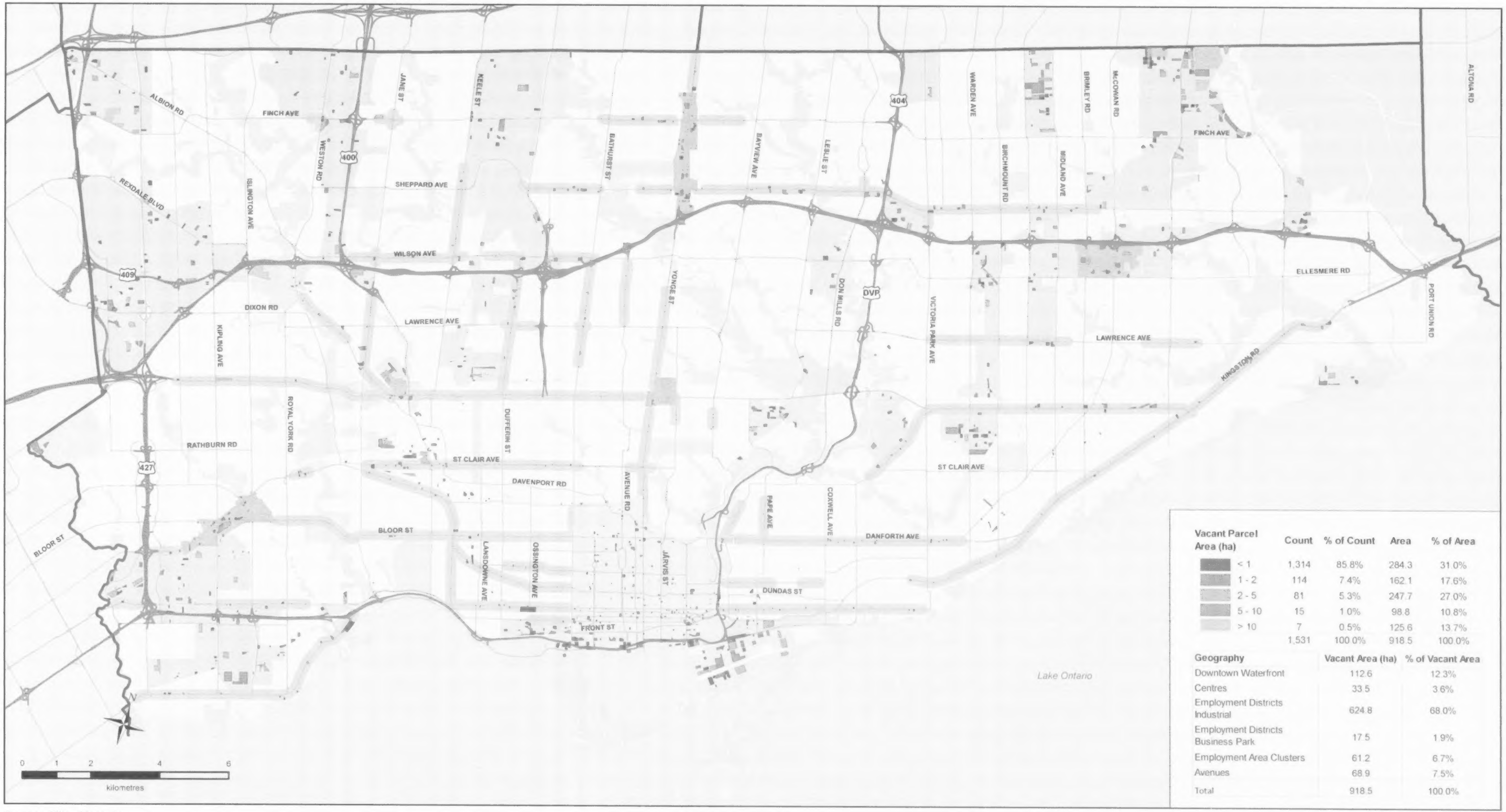
City Non Residential Assessment is calculated to be $80,655,721,385 as per received file (NonResProp2011)

Calculated as the sum of assessed values excluding Residential, Multi-Residential, New Multi-Residential and Exempt tax class codes

* Calculated as a residual

Source: City of Toronto.

Figure 3.26: Toronto's Stock of Occupied and Vacant Lands in Employment Localities


ALBION RD
FINCH AVE
JANE ST
KEELE ST
WESTON RD
400
SHEPPARD AVE
BATHURST ST
BAYVIEW AVE
LESLIE ST
404
WARDEN AVE
BIRCHMOUNT RD
BRIMLEY RD
MCCOWAN RD
MIDLAND AVE
FINCH AVE
ALTONA RD
REXDALE BLVD
ISLINGTON AVE
WILSON AVE
409
DIXON RD
KIPLING AVE
LAWRENCE AVE
YONGE ST
DON MILLS RD
DVP
VICTORIA PARK AVE
ELLESMERE RD
PORT UNION RD
LAWRENCE AVE
KINGSTON RD
RATHBURN RD
ROYAL YORK RD
DUFFERIN ST
ST CLAIR AVE
DAVENPORT RD
427
AVENUE RD
ST CLAIR AVE
BLOOR ST
BLOOR ST
LANSDOWNE AVE
OSSINGTON AVE
JARVIS ST
PAPE AVE
COXWELL AVE
DANFORTH AVE
DUNDAS ST
FRONT ST
Lake Ontario
N
0
1
2
4
6
kilometres

Vacant Parcel Area (ha)		Count	% of Count	Area	% of Area
▨	< 1	1,314	85.8%	284.3	31.0%
▨	1 - 2	114	7.4%	162.1	17.6%
▨	2 - 5	81	5.3%	247.7	27.0%
▨	5 - 10	15	1.0%	98.8	10.8%
▨	> 10	7	0.5%	125.6	13.7%
		1,531	100.0%	918.5	100.0%

Geography	Vacant Area (ha)	% of Vacant Area
Downtown Waterfront	112.6	12.3%
Centres	33.5	3.6%
Employment Districts Industrial	624.8	68.0%
Employment Districts Business Park	17.5	1.9%
Employment Area Clusters	61.2	6.7%
Avenues	68.9	7.5%
Total	918.5	100.0%

Source: City of Toronto

Note: Numbers may not add due to rounding.

This page is intentionally blank.

Figure 3.27 below summarizes vacant parcel size distribution across the city. A significant majority are small parcels – those less than 1.0 ha in size account for 86% of the total. Those greater than 5 ha represent less than 2% of the count, but close to one quarter of total vacant land area. The largest vacant parcels are in the northeast Tapscott Employment District.

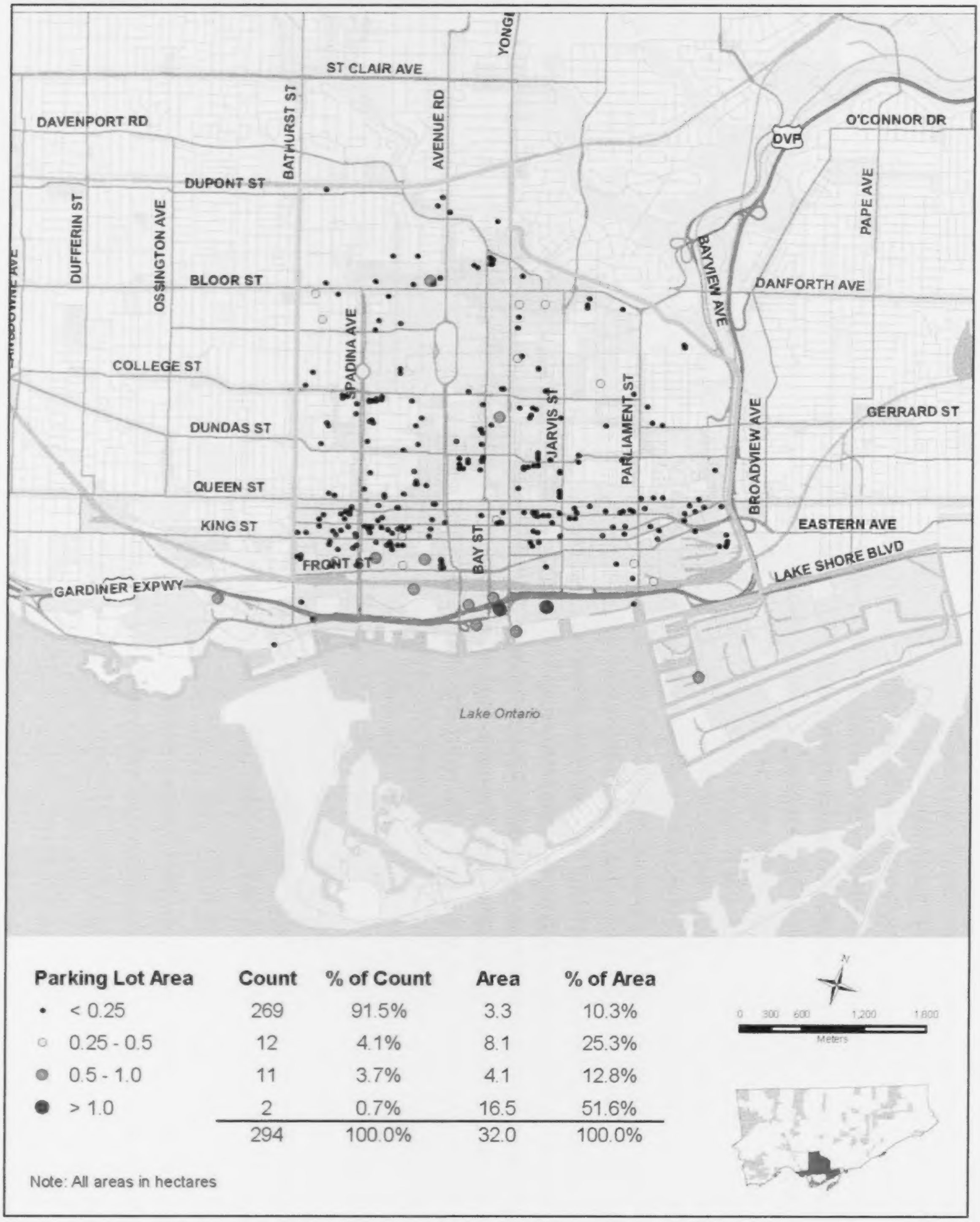
Parking lots in the Downtown & Central Waterfront comprise another 32 ha of potential development area (see Figure 3.28). They are generally quite small. Roughly 270 lots occupy 3.3 ha; there are only 13 lots greater than 0.5 ha/1.24 acres. (Note also that First Canadian Place supports over 2.3 million sq. ft. of office space on a less than 2.5 acre/1 ha parcel.)

Figure 3.27: Parcel Size Distribution for Vacant Lands in Employment Localities

Geography		Size of Parcel (ha)					Total
		<1	1-2	2-5	5-10	>10	
Downtown and Central Waterfront	Count	329	11	9	2	0	351
	Area	55.2	15.4	28.5	13.5	0.0	112.6
Centres	Count	84	7	3	0	0	94
	Area	14.1	10.7	8.7	0.0	0.0	33.5
Employment Districts - Industrial	Count	407	78	58	12	7	562
	Area	132.4	110.7	176.9	79.2	125.6	624.8
Employment Districts - Business Park	Count	20	6	0	0	0	26
	Area	7.5	10.0	0.0	0.0	0.0	17.5
Employment Area Clusters	Count	122	6	6	1	0	135
	Area	27.1	8.7	19.3	6.1	0.0	61.2
Avenues	Count	352	8	3	0	0	363
	Area	48.0	11.2	9.7	0.0	0.0	68.9
Total	**Count**	**1,314**	**116**	**79**	**15**	**7**	**1,531**
	Area	**284.3**	**166.7**	**243.1**	**98.8**	**125.6**	**918.5**

Source: City of Toronto.

Figure 3.28: Parking Lot Sites and Parcel Sizes in Toronto's Downtown & Central Waterfront Area


YONGE
ST CLAIR AVE
DAVENPORT RD
O'CONNOR DR
DVP
BATHURST ST
AVENUE RD
DUPONT ST
DUFFERIN ST
OSSINGTON AVE
PAPE AVE
BAYVIEW AVE
BLOOR ST
DANFORTH AVE
SPADINA AVE
COLLEGE ST
JARVIS ST
PARLIAMENT ST
GERRARD ST
DUNDAS ST
BROADVIEW AVE
QUEEN ST
KING ST
EASTERN AVE
FRONT ST
BAY ST
LAKE SHORE BLVD
GARDINER EXPWY
Lake Ontario
N
0 300 600 1,200 1,800
Meters

Parking Lot Area	Count	% of Count	Area	% of Area
• < 0.25	269	91.5%	3.3	10.3%
○ 0.25 - 0.5	12	4.1%	8.1	25.3%
● 0.5 - 1.0	11	3.7%	4.1	12.8%
● > 1.0	2	0.7%	16.5	51.6%
	294	100.0%	32.0	100.0%

Note: All areas in hectares

Source: City of Toronto.

Built and Vacant Space - Industrial & Office

Patterns in the current distribution of occupied and vacant industrial and office space are summarized in Figures 3.29 and 3.30. With regard to patterns of office space vacancy (June 2011), Avenues show the lowest vacancy rate (7.5%) followed by Centres and the Downtown and Central Waterfront (8.5%). There is an almost 3% jump to a rate of 11.4% for Employment Districts – "Business Parks", and 15.8% in Employment Districts – "Industrial". Employment Areas outside Districts have the highest office building vacancy rate at 16.5%. Industrial vacancy rates show much less variability, and are in fact quite low through all the former municipalities but Etobicoke.

It should be noted that some degree of vacancy is a normal condition, with rates of 5 – 10% being considered reflective of a balanced market. Except in unusual circumstances, building vacancy is typically not considered a factor in estimating future land needs for employment.

Figure 3.29: Toronto's Stock of Occupied and Vacant Office Space

Office Space Summary - By Employment Area (2011)

Area	Office Space (Net Rentable Area sq.ft.)	Unoccupied Office Space	Average Net Rental Rate	Unocupied Office Space (%)
Downtown and Central Waterfront Area	82,139,251	7,002,511	$36.11	8.5%
Centres	14,103,139	1,163,080	$33.92	8.2%
ED - Industrial	9,989,623	1,575,814	$24.80	15.8%
ED - Business Park	9,111,516	1,041,157	$27.25	11.4%
Areas Outside of Districts	1,288,049	212,681	$28.20	16.5%
Avenues	9,185,895	657,545	$33.70	7.2%
Mixed Use Areas Outside of Avenues	6,887,399	665,944	$28.59	9.7%
All other Areas	1,951,427	279,300	$26.59	14.3%
Total	**134,656,299**	**12,598,032**	**-**	**9.4%**

Source: Real Estate Search Corporation.
Note: Average Net Rental Rates describe rates as currently quoted for available space in each locality, vs. average rents for all space in each geography.

Figure 3.30: Toronto's Stock of Occupied and Vacant Industrial Space

Industrial Space Summary - By Former Municipality(2011)

Area	Industrial Space (Net Rentable Area sq.ft.)	Unoccupied Industrial Space	Asking Gross Lease Rate	Unocupied Industrial Space
East York	10,074,959	110,825	$4.93	1.1%
Etobicoke	85,572,679	7,016,960	$4.34	8.2%
North York	84,141,062	2,944,937	$4.24	3.5%
Scarborough	66,170,182	3,308,509	$4.23	5.0%
Toronto	35,227,250	669,318	$7.86	1.9%
York	6,866,281	123,593	$3.10	1.8%
Total	**288,052,413**	**14,174,141**	**-**	**4.9%**

Source: Cushman & Wakefield.

3.5 SWOT's of Toronto's Employment Typology

This section turns to an assessment of the strengths and weaknesses of the city's employment localities, and of the opportunities and threats confronting them. This "SWOT's" analysis is presented in tabular form in Figure 3.31 over the next several pages. It is based upon the preceding situation analysis, review of the data presented in Appendix 3, and the consulting team's knowledge of the competitive circumstances shaping the current and potential future character of the city's employment localities.

Several overarching themes of concern to future planning directions emerge from the analysis:

- The general strength and vitality of the city's Employment Districts – "Industrial", recognizing the diversity of the employment base they sustain;
- The simultaneous opportunity and threat posed in Employment Districts and Areas by the relative ease of assembling/acquiring larger parcels as compared to other potential areas for redevelopment;
- The failure of the city's designated Centres to become compelling locations for employment growth, and the prospect of residential land price pressure continuing to challenge more balanced growth. This is of particular concern given Growth Plan requirements for achieved density;
- The relative weakness of Toronto's Employment Districts – "Business Parks" as office employment locations;
- The comparative exposure of industrially-oriented employment in more linear vs. quadrilateral Employment Areas to land use conflicts posed by residential and other noise, smell or activity-sensitive uses; and
- The approaching "build-out" of office space conversion in the Kings in the Downtown & Central Waterfront Area coupled with the city's failure to be competitive with the 905 for mid-size (circa 200,000 sq. ft.) office space modules, and residential land price pressure challenges to new office space development.

Figure 3.31: SWOT's Assessment of Toronto's Employment Localities

	Strengths	Weaknesses	Opportunities	Threats
Downtown & Waterfront – Downtown	- Home to 442,000 jobs, 22% of office employment in the City, $38.9 billion in non-residential assessment, 42% of City's non-res base - International access gateway - Canada's pre-eminent location for finance, insurance & professional services industries - Designated as Urban Growth Centre in the provincial Growth Plan - Access to a deep and diverse talent/labour pool - "Has everything" - mass, clustering for diverse face-to-face opportunities, entertainment, recreation, culture & other amenities, regional transit focus, strong live-work & mixed use settings - Prestige, with prominent, visible sites - Home to major academic & health institutions	- Property tax structure in City vs. 905 - Traffic congestion - Land costs - Decreasing land supply for employment uses in the Downtown area - Timelines for City approvals preclude timely/cost effective construction of new mid-scale office space	- Attract a larger share of GTA office growth - Maintain/improve retail per capita ratios	- No place to grow – lack of long-term supply of sites - No certainty on development timelines - Residential-driven escalation of land prices a barrier to new office development - Employers looking elsewhere if space not available within required timelines - Lack of land and/or appropriate locations to accommodate retail uses required to serve the existing and increasing population
Downtown & Waterfront – Regeneration - The Kings	- As above re labour pool - Very highly desired location by employers - Strong proximity/ connectivity to downtown core - Access to a deep and diverse talent/labour pool - Very low vacancy rates	- Same as above - Fewer remaining opportunities for new office conversions	- Continued supply of new office space - Continued supply of retail & service component in residential/ mixed use development	- Approaching build-out of conversion space - Residential-driven escalation of land prices a barrier to new office development - Employers looking elsewhere if space not available

	Strengths	Weaknesses	Opportunities	Threats
				- As above re approval/decision process times
Downtown & Waterfront – Regeneration - The Portlands	- Available land - Compelling overlooks to City skyline, urban & greener waterfronts - Home to Filmport	- No services, connectivity - Soil conditions, bearing capacity - Very high up-front development costs - As above re approval/decision process times	- Long-term land bank - Nexus for media production cluster - Port-related industry	- High up-front costs of development constraining economic uses in nearer term
Centres	- Home to 77,200 jobs, 4% of office employment in the City, $4.6 billion in non-residential assessment, 5.7% of City's non-res base - Subway/SRT transit access - Designated as Urban Growth Centres in the provincial Growth Plan - Variable concentrations of office floor space, urban amenities - Access to existing and increasing residential population base	- Property tax structure in City vs. 905 - Have not proved attractive to new employment uses – little new office development in 20 years + despite permissions that enable it - Weak rental rates, limited market attractiveness do not justify new office development - Compounded by typically smaller parcel sizes, making assemblies non-economic except for high intensity residential	- Re-balance jobs/ population structure - Increase mix of uses and densities at major transit nodes	- Residential-driven escalation of land prices a barrier to new office development - Continued attractiveness of alternative locations for office development

	Strengths	Weaknesses	Opportunities	Threats
Employment Districts - Industrial	- Home to 297,000 jobs, 23% of total employment in the City, 81% of all manufacturing & warehousing jobs, $18 billion in non-residential assessment, 22% of City's non-res base - Access to a deep and diverse talent/labour pool - Generally large scale - Range of building types and sizes - Provide a home to messy, noisy users, with like neighbours - Higher degree of certainty about exclusive use - Access to highway, arterial & rail transportation systems & existing supplier/ customer networks - Generally well-served by transit, offer better access to amenities than many 905 employment areas - Vacancy and rental rates demonstrate ongoing vitality of many areas - Property reinvestment is occurring via building additions and renovations, old buildings are being converted for "office" uses - Lands fronting arterial roads provide visibility and access - No DC's for industrial uses vs. escalating charges in 905	- Property tax structure in City vs. 905 - Older, inner districts are host to generally older & outmoded building stock - Urban congestion - Limited supply of available land for new development, but existing vacancy also indicative of weaker demand - Supply of parking and access for truck movements is constrained in older, inner districts - Western orientation to industrial market in the GTA a detriment to Scarborough and East York - Takes longer for building permits vs. 905	- Ongoing locations for employment uses that need the setting - Re-use of existing space by new occupants, new firm incubation - Redevelopment of under-utilized properties - Amenitization along edges - Closed-loop production systems (by-product from one user is input to another user). - Green building investments/ redevelopments - Retail opportunities to serve employees - Lands fronting major arterials provide opportunities to attract retail uses that serve larger market areas and district employees - Opportunity to increase the range, mix and density of uses - More central location in the GTA may become more attractive as congestion increases and the greenfields frontier moves outward in the 905	- Types of jobs that rely on the industrial setting are in decline - Greater attractiveness of 905 suburban locations - Reduced certainty re intended functions & permitted uses, land value increases contributing to displacement of industrial employers from the city - Increased frictions from new/ incompatible uses - Industrial legacy may leave contaminated sites and real or perceived extra costs for new development - Decline in re-investment, deterioration - Reality/perception of approval/decision process times lagging those in 905

	Strengths	Weaknesses	Opportunities	Threats
			- Home for/ linkages with expanding Industry cluster networks	
Employment Districts - Business Parks	- Home to 59,600 jobs, 8% of office employment in the City, $2.2 billion in non-residential assessment, 2.7% of the City's non-res base - As above re labour pool - Access from 401, DVP & arterial network, transit, future higher order transit on Eglinton & Shepard - Proximity & access to downtown and 905 could support clustering of suppliers/customers - Office base supports varying retail and service amenities	- Property tax structure higher than in comparable BP's in 905, not far away - Limited office market interest in locations – weak office rents & vacancies, no new investment in new office buildings - Attracting smaller tenants - Concerns regarding office and heavy industrial land use compatibility - Amenities/services typically limited to small scale convenience and service retail - Weekday oriented consumer profile - Areas have not proven attractive for new mid-size, low cost office development	- Amenitize, vitalize by enabling mixed use with residential along higher order transit served edges - Re-use of existing space by new occupants - Conversion of obsolete industrial properties to flex office use – low cost alternative to conventional office space - Opportunity to increase range of retail and service offering with larger office market base - Increase mix of uses and densities - Increase attractiveness to mid-size low cost office development - Leverage proximity to labour force, transit, downtown & 905	- Continued tax imbalance - Greater attractiveness of 905 suburban locations - Encroachment of non-compatible uses increasing frictions for industrial users - Residential-driven escalation of land prices a barrier to new office and industrial development - Ongoing lack of investment, deterioration - Stagnant office market creating pressures for new condo development - As above re approval/decision process times

	Strengths	Weaknesses	Opportunities	Threats
Employment Areas Outside of Districts				
Employment Areas Outside of Districts - Clusters	- Access to local, arterial road networks, transit - Access to existing supplier/customer networks - Variable visibility to customers - Rretail/commercial presence with on-site production	- Property tax structure in City vs. 905 - Generally smaller scale, higher edge to interior ratios - Less certainty about exclusive use - Urban congestion, limited access to highway transportation - As above re approval/decision process times	- Re-use of existing space by new occupants - Increase mix of uses and densities	- Encroachment of non-compatible uses increasing frictions for industrial users - Residential-driven escalation of land prices a barrier to new office and industrial development - Ongoing lack of investment, deterioration
Employment Areas Outside of Districts - Linear	- Same as above	- Same as above - Linear shallow form, generally smaller parcel sizes lends itself to transition to a number of alternative uses - Building stock generally older & outmoded	- Re-use of existing space by new occupants - Increase mix of uses and densities - Live work opportunities - Transformation to alternative mixed uses without disrupting valued employment uses	- Same as above - Multiple pressures for change to non-employment uses - As above re approval/decision process times
Employment Areas Outside of Districts - Other	- Same as above	- Same as above - Scattered, smaller, standalone parcels	- Same as above	- Same as above

	Strengths	Weaknesses	Opportunities	Threats
Avenues	- Home to 165,000 jobs, 10% of office employment in the City, $12.5 billion in non-residential assessment, 15.5% of City's non-residential assessment base - Access to existing residential population base - Strong identities with adjoining communities	- Attractiveness largely driven by proximity to residential population for community-serving uses	- Live work opportunities - More medical & institutional services to local communities - Generally lower intensity mixed uses, increased mix of uses and densities at transit nodes	- NIMBY-ism constraining intensification potential
Mixed Use Areas Outside Avenues	- Home to 95,900 jobs, 7% of office employment in the City - Access to existing residential population base	- Attractiveness largely driven by proximity to residential population for community-serving uses	- Live work opportunities - Generally lower intensity mixed uses, increased mix of uses and densities at transit nodes	- NIMBY-ism constraining intensification potential at transit nodes
Institutional Areas	- Home to 53,100 jobs, 23% of institutional employment in the City - Locus of seats of municipal and provincial government, leading hospitals and academic institutions - Locus of knowledge generation and transfer	- Dependent upon constrained public purse, public fundraising for new investment	- Spinoff employment opportunities through creation of leading centres of knowledge and commercialization of innovation	- Constraints on physical expansion potential, use permissions

4.0

FUTURE GROWTH

Future employment growth potential is substantial, and will bring increasing competition for a finite land base.

This section of the Planning for Employment Uses in Toronto Study turns to consideration of future growth potential for the city. Two alternative scenarios are explored – one coincident with the current Schedule 3 forecasts from the Growth Plan, and a second coincident with the June 2012 population forecasts released by the Ontario Ministry of Finance. Both are extended to the 2041 horizon in anticipation of revised Growth Plan forecasts expected to issue in late 2012 or early 2013.

With benefit of the alternative scenarios, needs for industrial, office, retail & service and institutional space and/or lands are estimated. The section concludes with a discussion of the implications and application of such estimates in the context of a Municipal Comprehensive Review for a bounded urban landscape with no opportunities for boundary expansion.

It should be noted that the growth projections are based on a number of assumptions that may or may not be realized – the numbers they generate are inherently uncertain. The results are nonetheless considered a reasonable and defensible basis for planning to meet future employment needs.

4.1 The projections consider two growth arcs and extend to the 2041 horizon

The study's population and employment projections are presented in detail in Appendix 1. This section gives highlights only, as foundation for the subsequent analyses of need and opportunity for employment space and of the land base available to support future growth. The projections are built from a profile of the economy of the Greater Toronto Area and the City of Toronto, which considers:

- Historical trends in output and employment in Ontario;

- Recent trends in employment in the GTA and in the rest of Ontario;
- Industries that drive the GTA's prosperity and industries that service its residents; and
- Trends in the location of jobs within the GTA on an industry-by-industry basis.

To understand the range of space and land needs to be accommodated or enabled by planning policy, the study undertook two sets of projections extending to the 2041 horizon. The first generates population and employment growth estimates corresponding to the figures established in Schedule 3 of Places to Grow: The Growth Plan for the Greater Golden Horseshoe (2006) – the Low alternative. The second aligns with June 2012 population forecasts prepared by the Ontario Ministry of Finance for the period to 2036– the High alternative. The Places to Grow (PTG or GP) forecasts currently extend to 2031. They are under review, are expected to be released for approval in late 2012 /early 2013, and will be extended to the 2036 if not 2041 horizon.

The current study's projections address:

- Projected employment for export and community based industries for the GTA;
- Projected trends in GTA output and employment by industry; and
- Potential GTA and City of Toronto employment by industry, as well as population growth for both geographies.

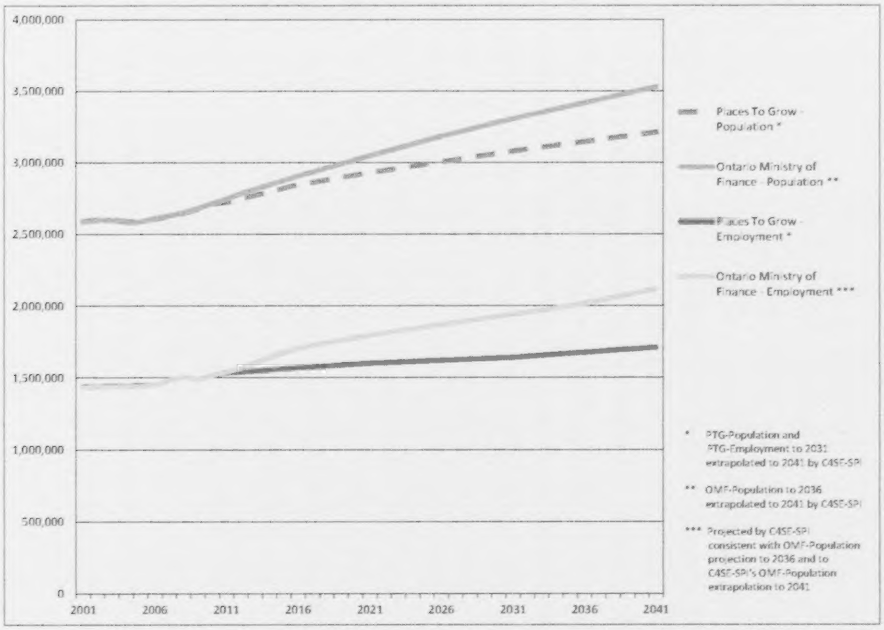
The resulting population and total employment growth figures for each horizon are summarized in Figure 4.1 below. Their respective growth arcs are depicted in Figure 4.2 opposite.

Figure 4.1: Summary of Population and Employment Projections

	2011 (Estimate)	2031		2041	
		Low	High	Low	High
Population	2,722,100	3,080,000	3,305,500	3,210,000	3,528,900
Growth after 2011		357,900	583,400	487,900	806,800
Employment	1,532,700	1,640,000	1,941,000	1,710,000	2,116,800
Growth after 2011		107,300	408,300	177,300	584,100

Source: C4SE-SPI.

Figure 4.2: Projected City of Toronto Population and Employment 2001 to 2041



Source: Ontario Ministry of Finance Demographic Projections (June 2012), Places to Grow Schedule 3, C4SE-SPI.

4.1.1 Toronto's future employment growth will be concentrated in office and health-based sectors

The detailed Low and High projections for population and employment by industry for Toronto are summarized in Figure 4.3 overleaf. The table adds an employment component at the bottom of the industry list to account for all those jobs within the city held by persons with no fixed place of work in order that total employment in each projection in each year matches the PTG Schedule 3 definition for total employment.

As introduced above, Figure 4.3 describes how, if the Places to Grow Schedule 3 (as extended to 2041 by C4SE-SPI) is used as the basis for projecting the city's total population and employment between 2011 and 2041, the city's total population will grow by 487,900 and its total employment will grow by 177,300 over that span.

On the other hand, if the Ontario Ministry of Finance's projection (extended to 2041 by C4SE-SPI) is used as the basis for projecting the city's total population and a consistent level of employment, the population of the city will grow by 806,800 and its total employment will grow by 584,100 over that period.

Figure 4.3: City of Toronto Total Population and Employment by Industry - Actual Data 2001, Estimated Data 2011, Projected Data 2031 and 2041

	Actual	Estimated	Projected									
	Level	Level	Level 2021		Level 2031		Level 2041		Change 11-31		Change 11-41	
	2001	2011	Low	High	Low	High	Low	High	Low	High	Low	High
Population	2,590,000	2,722,100	2,930,000	3,047,400	3,080,000	3,305,500	3,210,000	3,528,900	357,900	583,400	487,900	806,800
Total employed by place of work	1,440,000	1,532,700	1,600,000	1,793,500	1,640,000	1,941,000	1,710,000	2,116,800	107,300	408,300	177,300	584,100
Primary	2,500	4,000	3,600	3,500	3,200	2,800	2,800	2,200	-800	-1,200	-1,200	-1,800
Utilities	9,800	9,100	8,900	9,400	8,600	9,000	8,500	8,800	-500	-100	-600	-300
Construction	28,700	30,400	32,200	36,200	33,400	39,700	35,300	43,700	3,000	9,300	4,900	13,300
Manufacturing	173,300	115,900	113,100	119,700	108,400	115,700	105,700	113,800	-7,500	-200	-10,200	-2,100
Wholesale trade	55,700	52,200	55,800	62,300	58,500	68,500	62,200	75,700	6,300	16,300	10,000	23,500
Retail trade	137,000	130,000	131,900	142,000	131,600	144,900	133,700	150,200	1,600	14,900	3,700	20,200
Transportation, warehousing	40,500	42,100	43,100	46,000	43,300	46,900	44,400	48,700	1,200	4,800	2,300	6,600
Information, cultural industries	73,200	70,600	69,400	73,800	67,100	72,200	66,000	71,900	-3,500	1,600	-4,600	1,300
Finance, insurance, real estate	170,300	191,300	197,300	221,200	199,900	237,100	206,200	256,500	8,600	45,800	14,900	65,200
Professional, scientific, technical	149,000	184,100	197,100	224,200	206,700	250,300	220,000	279,800	22,600	66,200	35,900	95,700
Other business services	60,400	62,000	68,800	82,800	74,300	98,500	81,200	115,400	12,300	36,500	19,200	53,400
Educational	83,200	99,200	105,800	120,900	110,700	135,000	117,500	150,900	11,500	35,800	18,300	51,700
Health care, social assistance	121,700	163,700	179,700	216,200	192,500	255,400	208,800	297,600	28,800	91,700	45,100	133,900
Arts, entertainment, recreation	24,200	30,300	33,300	39,600	35,700	46,400	38,700	53,900	5,400	16,100	8,400	23,600
Accommodation, food	76,100	78,300	82,600	91,800	85,500	99,400	90,000	108,500	7,200	21,100	11,700	30,200
Services not specified elsewhere	62,300	68,700	69,600	73,500	69,300	73,600	70,300	74,900	600	4,900	1,600	6,200
Public administration	59,600	81,400	83,100	90,700	83,400	94,200	85,200	99,300	2,000	12,800	3,800	17,900
Persons with no usual place of work	112,500	119,400	124,700	139,700	127,900	151,400	133,500	165,000	8,500	32,000	14,100	45,600

Source: C4SE-SPI

Census data for 1996, 2001 and 2006 indicate that the number of jobs on a place-of-work basis in the City of Toronto grew by 114,380 between 1996 and 2001, but by only 8,910 between 2001 and 2006, for a total gain over that ten year period (1996 to 2006) of 123,290. Adding growth in jobs held by new city residents with no fixed place of work brings total employment growth over that ten year period to the order off 187,500 jobs. That achievement approaches the High end of the range of gains in jobs per decade from 2011 to 2041 summarized in Figures 4.2 and 4.3.

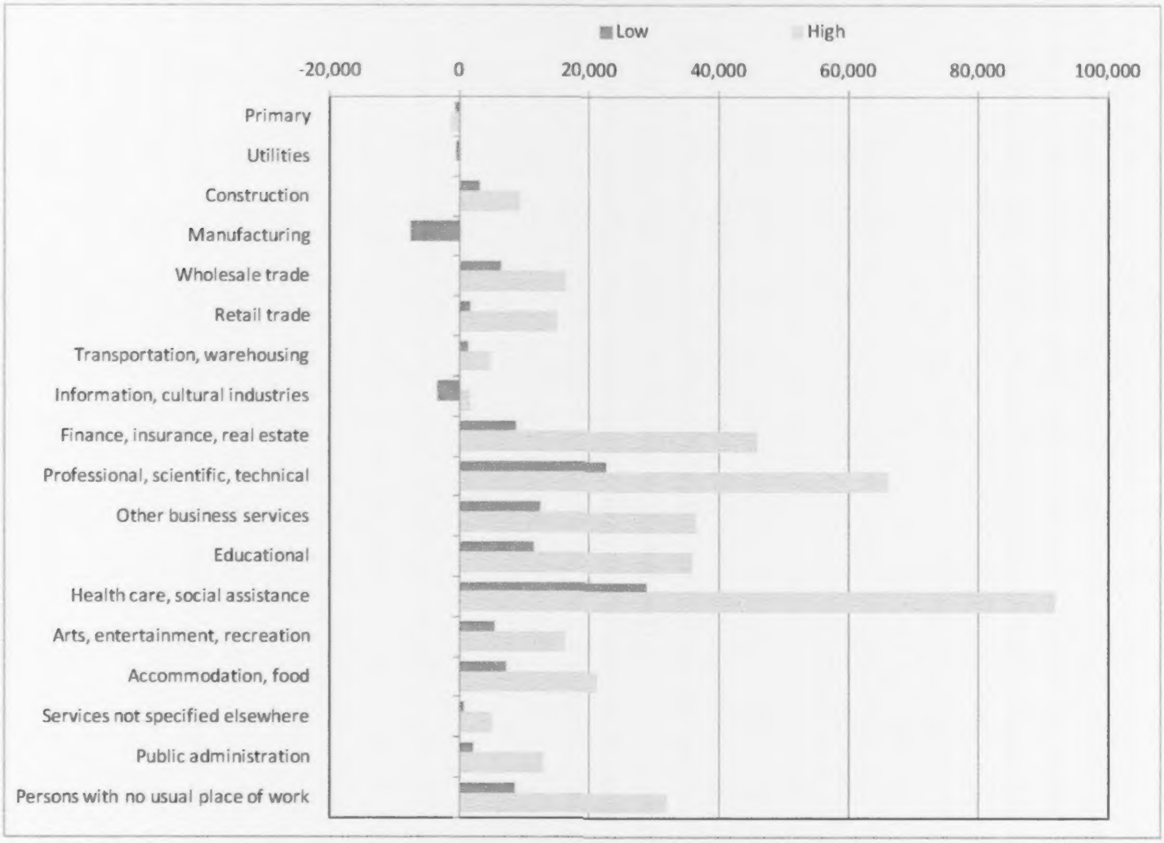
The latter table indicates that the average job creation pace per decade from 2011 to 2041 could be as low as 59,100 (Low alternative) or as high as 194,700 (High alternative). In other words the Low and High alternatives bracket the average job creation pace achieved over the decade by the city from 1996 to 2006.

Achieving a gain of the magnitude reflected in the High alternative is clearly at odds with history over the past five years. Nevertheless, if the city's population growth between 2011 and 2041 is as strong as that suggested by the High alternative, its employment base will have to grow at a similar rate. A strong pace of population growth in the city is consistent with an above average pace of expansion in its economic base jobs – they will draw more residents – and an above average pace of growth in its community base jobs – the new residents will require far more community services.

The consulting team is of the view that the Growth Plan has allocated too little population and too little employment growth to the City of Toronto to 2031. And it believes the City ought to be looking to the year 2041 for its employment land planning purposes. The team recommends that the High projection alternative in Figure 4.3 – based on the Ontario Ministry of Finance population projections for the city but extended by C4SE-SPI to 2041, complemented by employment by industry projections derived by C4SE-SPI consistent with that population growth – ought to form the basis for the city's response to proposed amendments to the Growth Plan's Schedule 3 forecasts and for its employment land planning purposes.

Figure 4.4 illustrates the growth in employment by industry projected for the city from 2011 to 2031 according to the High and Low alternatives. The figure shows clearly the extent to which health care, financial services and professional and other business services would be expected to dominate job growth over this period in the case of the High alternative. The Low alternative foresees dominant growth across all of these same services as well, but the gains are considerably less than those of the High alternative.

Figure 4.4: Projected City of Toronto Job Growth by Major Industry 2011 to 2031 (High and Low Alternatives)



Source: C4SE-SPI

4.2 Employment growth requires new employment space, most of it in in mixed use settings

With benefit of the preceding projections, this section moves to estimates of job space and land needs and potential for the four major use types – industrial, office, retail & service and institutional. Each is addressed in turn, below.

4.2.1 Industrial productivity and employment growth will continue to require a land base

Industrial Employment Categories

A quantitative approach to industrial land demand projections involves translating industrial-type employment growth into on-the-ground demand via benchmark employment densities by category of employment. There are four principal categories of industry sectors – as defined by two-digit NAICS codes – which generally require industrial-type facilities for their production or service functions. These four categories are:

- Manufacturing (NAICS 31-33)
- Construction (NAICS 23)
- Wholesale Trade (NAICS 41)
- Transportation and Warehousing (NAICS 48-49)

Among these broad industry classifications, certain sub-sectors within them may have a need for industrial-type premises, while others will not. For example, while a full range of manufacturing operations require industrial-type premises, some sub-components of the construction sector – such as residential building construction, land subdivision and building finishing contractors – may have other space requirements. More specifically, the storage/warehousing of equipment and parts may be important to certain sectors of employment, although this may not translate to much employment within industrial facilities.

Certainly, there are other industry sectors such as utilities (NAICS 22) that consume industrial lands. However, it is difficult to correlate employment growth in this category with future land demand, due to the physical nature of the infrastructure that may be developed (power generation, gas distribution, water supply, etc.). As well, the cultural, retail, education and public administration sectors, among others, may also to some extent be users of existing industrial-type space. Again, the difficulty lies in tying employment growth projections to associated demand for new industrial buildings and land. As a result, these sectors are not considered in this demand model methodology. The approach we have taken places greatest emphasis on capturing the types of jobs that overwhelmingly occupy industrial space and generate new industrial construction and demand for land.

Given the above, it is necessary to allocate a share of employment growth from each industry sector towards industrial space needs over time. This breakdown is estimated as follows, based on a review of the specific sub-categories of employment within the three and four-digit NAICS categories:

- Manufacturing (100%)
- Construction (20%)
- Wholesale Trade (100%)
- Transportation and Warehousing (50%)

Employment Density

Next, it is necessary to assign benchmark employment densities to these industry sectors. City-wide, based on the 2011 Toronto Employment Survey and Cushman & Wakefield's industrial building database, the average employment density in industrial-type properties is approximately 14 jobs per acre (36 jobs per hectare). Notably, this is consistent with employment land densities in other metropolitan areas Cushman & Wakefield has examined, where it is possible to link a municipal employment survey with an industrial building database (the Cities of Brampton and Calgary have a similar average employment density within their business parks). For the purposes of determining industrial land needs, our projections apply the following densities:

- Manufacturing – 16 jobs per net acre (40 jobs per net hectare)
- Construction – 12 jobs per net acre (30 jobs per net hectare)
- Wholesale Trade – 12 jobs per net acre (30 jobs per net hectare)
- Transportation and Warehousing – 8 jobs per net acre (20 jobs per net hectare)

Land and Building Demand – Low Projection

Based upon the Low employment forecasts by sector and benchmark employment densities, and given the job densities above, we are able to generate a volume of industrial land and space demand. In this model, space demand is applied at a site coverage of 40%, which is in line with current built form in the City of Toronto and development trends across the Greater Toronto Area.

Figure 4.5 presents the results of our Low projection for the 20 and 30 year horizons: In square footage terms through to year 2031, our employment projections suggest demand for approximately 11.2 million sq. ft. (1.0 million square metres) of new industrial space in Toronto. This would represent an increase of roughly 3.9% over the current industrial inventory, with average annual new supply additions of approximately 373,000 square feet. Over the longer 30 year forecast horizon, our employment projections suggest demand for approximately 18.2 million sq. ft. (1.7 million square metres) of new industrial space in Toronto. This would represent an increase of roughly 6.3% over the current industrial inventory, with average annual new supply additions of approximately 911,000 square feet. Space requirements for manufacturing are assumed to stay constant to reflect ongoing need for production space as labour is replaced by capital.

For comparison, Cushman & Wakefield tracked an average of 413,000 sq. ft. of new supply annually from 2001–2011 (which included an economic recession) in Toronto. During the same time period, the City of Toronto reported an annual average of 725,000 sq. ft. of new industrial building permits.

Figure 4.5: Industrial Land and Space Demand Projections – Low

Industrial Land and Space Demand Projections - Low (2011-2031)

NAICS Category (Code)	Employment Growth	% on Employment Lands	Growth on Employment Lands	Benchmark Jobs / Acre	Benchmark Jobs / Hectare	Acres Required	Hectares Required	Building sf Required	Building M² Required
Total Employment	107,300								
Manufacturing (31-33)	-7,500	100%	-7,500	16	40	0	0	0	0
Construction (23)	3,000	20%	600	12	30	49	20	861,000	80,000
Wholesale Trade (41)	6,300	100%	6,300	12	30	519	210	9,038,000	840,000
Transportation, Warehousing (48-49)	1,200	50%	600	8	20	74	30	1,291,000	120,000
Total Industrial-Type Employment	**3,000**		**0**			**642**	**260**	**11,190,000**	**1,040,000**
Average Annual Requirement (2012-2041):								***373,000***	***35,000***
Average Annual New Supply 2001-2011 (C&W):								***413,000***	***38,000***
Annual Average New Industrial Building Permits 2001-2011 (City of Toronto):								***725,000***	***67,000***

Industrial Land and Space Demand Projections - Low (2011-2041)

NAICS Category (Code)	Employment Growth	% on Employment Lands	Growth on Employment Lands	Benchmark Jobs / Acre	Benchmark Jobs / Hectare	Acres Required	Hectares Required	Building sf Required	Building M² Required
Total Employment	117,300								
Manufacturing (31-33)	-10,200	100%	-10,200	16	40	0	0	0	0
Construction (23)	4,900	20%	980	12	30	81	33	1,406,000	131,000
Wholesale Trade (41)	10,000	100%	10,000	12	30	823	333	14,346,000	1,333,000
Transportation, Warehousing (48-49)	2,300	50%	1,150	8	20	142	58	2,475,000	230,000
Total Industrial-Type Employment	**7,000**		**0**			**1,046**	**424**	**18,227,000**	**1,694,000**
Average Annual Requirement (2012-2041):								***608,000***	***56,000***
Average Annual New Supply 2001-2011 (C&W):								***413,000***	***38,000***
Annual Average New Industrial Building Permits 2001-2011 (City of Toronto):								***725,000***	***67,000***

Source: Cushman & Wakefield.

There are certain reasons related to methodology that the Cushman & Wakefield and City of Toronto figures do not reconcile (for instance, the specific building use may not be considered "market" industrial space by C&W, such as public utility uses, or City or government/institutionally-owned properties).

In terms of land demand, applying these building requirements at a typical site coverage of 40% indicates a need for approximately 642 acres (260 hectares) of industrial land in the 20 year projection to 2031, and 1,046 acres (424 hectares) of industrial land in the 30 year projection to 2041. Based upon our analysis of land uses, the City of Toronto has an estimated 1,740 acres (705 hectares) of vacant land across its Employment Districts and Areas. Therefore, on an aggregate basis, the city has an adequate supply to meet its anticipated demand for industrial space through 2031 and 2041, based on this quantitative analysis approach.

Land and Building Demand – High Projection

The High employment forecast by sector and benchmark employment densities, generate the volumes of industrial land and space demand illustrated in Figure

4.6. Consistent with the Low projection case, space demand is applied at a site coverage of 40%.

The following table presents the results of the High projection for the 20 and 30 year horizons:

Figure 4.6: Industrial Land and Space Demand Projections – High

Industrial Land and Space Demand Projections - High (2011-2031)

NAICS Category (Code)	Employment Growth	% on Employment Lands	Growth on Employment Lands	Benchmark Jobs / Acre	Benchmark Jobs / Hectare	Acres Required	Hectares Required	Building sf Required	Building M^2 Required
Total Employment	339,000								
Manufacturing (31-33)	-900	100%	-900	16	40	0	0	0	0
Construction (23)	9,100	20%	1,820	12	30	150	61	2,611,000	243,000
Wholesale Trade (41)	16,000	100%	16,000	12	30	1,317	533	22,953,000	2,132,000
Transportation, Warehousing (48-49)	4,600	50%	2,300	8	20	284	115	4,949,000	460,000
Total Industrial-Type Employment	**28,800**		**0**			**1,751**	**709**	**30,513,000**	**2,835,000**

Average Annual Requirement (2012-2041):	***1,017,000***	***95,000***
Average Annual New Supply 2001-2011 (C& W):	***413,000***	***38,000***
Annual Average New Industrial Building Permits 2001-2011 (City of Toronto):	***725,000***	***67,000***

Industrial Land and Space Demand Projections - High (2011-2041)

NAICS Category (Code)	Employment Growth	% on Employment Lands	Growth on Employment Lands	Benchmark Jobs / Acre	Benchmark Jobs / Hectare	Acres Required	Hectares Required	Building sf Required	Building M^2 Required
Total Employment	574,800								
Manufacturing (31-33)	-2,800	100%	-2,800	16	40	0	0	0	0
Construction (23)	13,100	20%	2,620	12	30	216	87	3,759,000	349,000
Wholesale Trade (41)	23,200	100%	23,200	12	30	1,910	773	33,282,000	3,092,000
Transportation, Warehousing (48-49)	6,400	50%	3,200	8	20	395	160	6,886,000	640,000
Total Industrial-Type Employment	**39,900**		**0**			**2,521**	**1,021**	**43,927,000**	**4,081,000**

Average Annual Requirement (2012-2041):	***1,464,000***	***136,000***
Average Annual New Supply 2001-2011 (C& W):	***413,000***	***38,000***
Annual Average New Industrial Building Permits 2001-2011 (City of Toronto):	***725,000***	***67,000***

Source: Cushman & Wakefield

In square footage terms through to year 2031, our employment projections suggest demand for approximately 30.5 million sq. ft. (2.8 million square metres) of new industrial space in Toronto. This would represent an increase of roughly 10.6% over the current industrial inventory, with average annual new supply additions of approximately 1.0 million square feet. Over the longer 30 year forecast horizon, our employment projections suggest demand for approximately 43.9 million sq. ft. (4.1 million square metres) of new industrial space in Toronto. This would represent an increase of roughly 15.2% over the current industrial inventory, with average annual new supply additions of approximately 1.5 million square feet. This High projection represents much more new supply than has been seen in the recent past.

In terms of land demand, applying these building requirements at a typical site coverage of 40% indicates a need for approximately 1,751 acres (709 hectares) of industrial land in the 20 year projection to 2031, and 2,521 acres (1,021 hectares) of industrial land in the 30 year projection to 2041. With comparison to the vacant land inventory of 1,740 acres/705 ha, the city has an insufficient supply of industrial land to meet the demand suggested in this model. In this High scenario, over time, market forces would drive prospective users to other municipalities due to rising land pricing and scarcity, among other considerations. This level of employment growth may spur expanding industrial producers to intensify on their premises (if an owner-user), or landlords to expand their premises, capturing some additional employment growth beyond the vacant land capacity within the city. Conversely, these producers may elect to build a new larger facility elsewhere in the Greater Toronto Area to accommodate their workforce needs. It is unlikely that employment densities within existing facilities will evolve towards a more dense state, given the trends towards increased applications of technology and rising productivity per worker.

Trends Impacting Industrial Land Demand

The following market trends are impacting industrial space demand, both in terms of existing buildings and potential demand for new supply:

Trend #1 – Changing Industrial-Type Employment Base

While manufacturing employment in the Greater Toronto Area has declined since the early-2000's peak level of over 500,000 workers, other industries requiring industrial-type space have seen employment gains, including the transportation and warehousing and wholesale trade segments. This growth has been associated with user demand for new industrial facilities – in particular, large distribution centres in suburban municipalities to serve the GTA, Southern Ontario and beyond.

The implication for the City of Toronto is that due to the western orientation of industrial space in the GTA, and the degree of road and highway congestion in the central GTA, this space is largely locating in municipalities to the west and north, which have better transportation access, as well as ample large land parcels for large-scale development (buildings ranging from 250,000 to 1 million sq. ft. on 15 – 50 acre land parcels). It is unlikely that the City of Toronto will attract much future large-scale warehouse and distribution space; its growth in the transportation and warehousing sector will likely occur in mid-sized facilities serving the local market vs. the broader regional market.

Trend #2 – Increased Manufacturing Productivity

In our employment by industry forecast, we have projected a modest decline in manufacturing employment over the next three decades. A continuing shift of production to overseas markets in pursuit of lower labour costs has been a driving force impacting this sector. As well, a higher valued Canadian dollar has allowed local producers to import new machinery and equipment and replace inefficient production systems. This will have a long-term impact on output per worker.

The implication for the City of Toronto is that while we have projected a slight decline in manufacturing employment during the forecast horizon, established industries will remain a vital element of the economic base. These businesses will continue to reinvest in existing properties through building additions and renovations, as well as machinery and equipment to modernize production lines. As well, manufacturers are likely to continue to demand additional space as their businesses grow – in other words, facilities will become larger while employment count remains flat or even declines. At a minimum, there should be ongoing policy that would preserve the existing building stock in order to allow industry to continue to operate (notwithstanding site-specific rationales for use conversions, which would remain compatible with neighbouring properties and the functioning of the employment area as a whole). This is an important consideration when evaluating future employment land needs that is not easily captured in a traditional quantitative approach, which uses employment forecasts and benchmark densities to drive space demand projections.

Trend #3 – Rehiring of Workers

As the Toronto area economy improves from the 2009 recession, many industries will expand towards the capacity levels that had previously been in place. Thus, the near-term re-hiring of workers will not have a direct relationship with new space demand (existing underutilized capacity will be brought back on stream before new facilities are needed). Therefore, we would anticipate a period of limited demand for new construction despite an influx of industrial-type job gains in the economy.

Conclusions

The findings from the Low and High projections and quantitative analysis must be balanced against qualitative observations regarding the future of industrial space demand. Improving manufacturing productivity will lead to an increased demand for space, despite an absence of employment growth. At the same time, it is likely that near-term employment growth will have a muted impact on space demand, as firms rebuild their workforce coming out of the recession. Overall, it is our view that the forces impacting industrial space demand are likely to introduce more upside than downside risk to our quantitative analysis.

At a minimum, we see policy support for the protection of existing built industrial lands and buildings in order to allow these businesses to prosper in a municipal planning environment providing certainty. Broadly speaking, there is a need to preserve currently planned industrial lands in order to accommodate projected growth – particularly if the High projection scenario is supported. Notably, these conclusions are applicable at an aggregate level for the City of Toronto; there may still be site-specific or area-specific rationales that on balance may justify a conversion of land uses in specific Employment Districts, Areas or other areas of the city to meet other planning policy objectives. For example, there may be designated employment lands which are not very desirable from a locational perspective than may warrant more detailed local-level analysis. As well, there may be lands currently designated for employment uses which, if converted, would have a highest and best use that might complement other adjacent development/redevelopment.

4.2.2 Office employment forecasts show substantial growth may be attainable – IF the right pieces are put in place

Because of the apparent importance of growth in jobs locating in office buildings, it was thought prudent to "triangulate" on potential office space needs from two directions – one driven by the employment forecasts and another extrapolating from experience in the growth in office space in the city vs. the 905.

Office Space Needs – Forecast Basis

Office Employment in the GTA and the City of Toronto

Figures 4.7a and 4.7b overleaf are excerpted from Appendix 1. They describe projections of new office space requirements for Toronto between 2011 and 2031 (Figure 4.7a) and between 2011 and 2041 (Figure 4.7b) for each of the Low and High projection alternatives. By 2031 the Low projection results in a new office space requirement of 7.4 million sq. ft. whereas the High alternative results in a need of 28.45 million sq. ft. By 2041 the Low alternative results in a new office requirement of 11.1 million sq. ft. whereas the High alternative results in a need for 42.3 million sq. ft. A comparison of the Low and High projections regarding new space required reveals that the greatest differences occur in finance, insurance and real estate; and in professional business services.

In other words a key ingredient to the achievement of the High projection for the city is the creation of significant new office space of a calibre that will attract finance, insurance, real estate and professional business service jobs to the city.

Note that all of the office space projections here are based on the assumption that the share of jobs by industry located in offices in 2011 will prevail through to 2031 and 2041. It is possible that the office share could increase in the future in many industries. Thus even more new office space than indicated here may be required.

Figure 4.7a: Low and High Projection Total Jobs, Office Jobs and Office Space: City of Toronto 2011 and 2031

	Total Jobs			Office Jobs			Office Space (msf)			Space Change (msf)		
	Actual 2011	Low 2031	High 2031	Est'd 2011	Low 2031	High 2031	Est'd 2011	Low 2031	High 2031	Low 2031	High 2031	High - Low
Total employed by place of work	1,532,700	1,650,900	1,925,300	702,600	740,500	848,600	137.00	144.39	165.48	7.39	28.48	21.08
Primary	4,000	3,200	2,800	7,100	5,700	5,000	1.38	1.10	0.97	-0.27	-0.41	-0.14
Utilities	9,100	8,700	8,900	5,700	5,400	5,600	1.11	1.05	1.09	-0.06	-0.02	0.04
Construction	30,400	33,700	39,300	4,500	5,000	5,800	0.88	0.98	1.14	0.10	0.26	0.16
Manufacturing	115,900	109,100	114,700	22,700	21,400	22,500	4.42	4.17	4.38	-0.25	-0.04	0.21
Wholesale trade	52,200	58,900	68,000	10,400	11,700	13,500	2.03	2.29	2.64	0.25	0.61	0.35
Retail trade	130,000	132,500	143,700	9,800	10,000	10,800	1.90	1.94	2.10	0.04	0.19	0.16
Transportation, warehousing	42,100	43,600	46,600	5,600	5,800	6,200	1.09	1.13	1.21	0.04	0.12	0.08
Information, cultural industries	70,600	67,500	71,600	79,700	76,200	80,800	15.55	14.87	15.76	-0.68	0.21	0.90
Finance, insurance, real estate	191,300	201,200	235,200	205,100	215,700	252,200	39.99	42.06	49.17	2.07	9.18	7.12
Professional, scientific, technical	184,100	208,000	248,300	130,900	147,900	176,500	25.53	28.85	34.42	3.32	8.89	5.58
Other business services	62,000	74,800	97,700	19,900	24,000	31,400	3.88	4.68	6.13	0.80	2.24	1.44
Educational	99,200	111,400	133,900	14,400	16,200	19,400	2.80	3.15	3.78	0.35	0.97	0.62
Health care, social assistance	163,700	193,800	253,300	18,000	21,300	27,900	3.51	4.15	5.44	0.64	1.93	1.29
Arts, entertainment, recreation	30,300	35,900	46,100	3,700	4,400	5,600	0.72	0.85	1.08	0.14	0.37	0.23
Accommodation, food	78,300	86,100	98,600	1,700	1,900	2,100	0.34	0.38	0.42	0.04	0.08	0.04
Services not specified elsewhere	68,700	69,800	73,000	63,600	64,600	67,600	12.40	12.60	13.18	0.20	0.78	0.59
Public administration	81,400	83,900	93,500	90,600	93,400	104,100	17.67	18.21	20.30	0.55	2.63	2.09
Persons with no usual place of work	119,400	128,800	150,100	9,200	9,900	11,600	1.79	1.93	2.26	0.14	0.47	0.33

Source: Re-Search Corp and C4SE-SPI

Figure 4.7b: Low and High Projection Total Jobs, Office Jobs and Office Space: City of Toronto 2011 and 2041

	Total Jobs			Office Jobs			Office Space (msf)			Space Change (msf)		
	Actual 2011	Low 2041	High 2041	Est'd 2011	Low 2041	High 2041	Est'd 2011	Low 2041	High 2041	Low 2041	High 2041	High - Low
Total employed by place of work	1,532,700	1,710,000	2,116,800	702,600	759,700	919,300	137.00	148.14	179.27	11.14	42.27	31.13
Primary	4,000	2,800	2,200	7,100	5,000	3,900	1.38	0.97	0.76	-0.41	-0.62	-0.21
Utilities	9,100	8,500	8,800	5,700	5,300	5,500	1.11	1.03	1.07	-0.08	-0.04	0.04
Construction	30,400	35,300	43,700	4,500	5,200	6,500	0.88	1.02	1.28	0.14	0.39	0.26
Manufacturing	115,900	105,700	113,800	22,700	20,700	22,300	4.42	4.03	4.34	-0.39	-0.08	0.31
Wholesale trade	52,200	62,200	75,700	10,400	12,400	15,100	2.03	2.42	2.95	0.39	0.92	0.53
Retail trade	130,000	133,700	150,200	9,800	10,100	11,300	1.90	1.96	2.19	0.06	0.29	0.23
Transportation, warehousing	42,100	44,400	48,700	5,600	5,900	6,500	1.09	1.15	1.27	0.06	0.18	0.12
Information, cultural industries	70,600	66,000	71,900	79,700	74,500	81,200	15.55	14.54	15.84	-1.01	0.29	1.31
Finance, insurance, real estate	191,300	206,200	256,500	205,100	221,100	275,000	39.99	43.11	53.62	3.12	13.63	10.51
Professional, scientific, technical	184,100	220,000	279,800	130,900	156,400	198,900	25.53	30.50	38.79	4.97	13.26	8.29
Other business services	62,000	81,200	115,400	19,900	26,100	37,000	3.88	5.09	7.22	1.21	3.34	2.13
Educational	99,200	117,500	150,900	14,400	17,100	21,900	2.80	3.33	4.26	0.53	1.46	0.93
Health care, social assistance	163,700	208,800	297,600	18,000	23,000	32,700	3.51	4.49	6.38	0.98	2.87	1.89
Arts, entertainment, recreation	30,300	38,700	53,900	3,700	4,700	6,600	0.72	0.91	1.28	0.19	0.56	0.37
Accommodation, food	78,300	90,000	108,500	1,700	2,000	2,400	0.34	0.40	0.48	0.06	0.14	0.08
Services not specified elsewhere	68,700	70,300	74,900	63,600	65,100	69,300	12.40	12.70	13.52	0.29	1.11	0.82
Public administration	81,400	85,200	99,300	90,600	94,800	110,500	17.67	18.48	21.55	0.82	3.88	3.06
Persons with no usual place of work	119,400	133,500	165,000	9,200	10,300	12,700	1.79	2.01	2.47	0.21	0.68	0.47

Source: Re-Search Corp and C4SE-SPI

Office Space Needs – Experience Basis

Overview

Office buildings are the built form in which roughly 55% of all employment in the City of Toronto is located. Employment growth in office buildings in the future will depend on what can be built and where. Who determines where is no longer the choice of developers (see Appendix 3A.3) but is largely driven by what appeals to tenants and what can be built within their business decision cycle. This is critical to the understanding of what growth in this built form sector will occur in the future and the effect public planning and economic development policies will have on the amount.

There are six distinct locations and types of office buildings in the City of Toronto. They are:

1. Prime downtown core multi-tenant buildings (generally defining the skyline) which for the most part are bigger than 500,000 sq. ft.;
2. Repurposed buildings previously used for other types of business (redundant industrial, warehouse or commercial buildings) in the downtown area;
3. Multi-tenant or single tenant buildings over 150,000[1] sq. ft. which are more widely spread out in office nodes, largely located on the Yonge/University corridor and in some cases in the Kings;
4. Under 150,000 sq. ft. buildings in all areas of the city;
5. Community serving office space (driven by residential growth); and
6. Government buildings.

The evidence shows that the supply of new office space in the city in the past 25 years has been almost exclusively in only the first two types of space. Demand for those two types of space is good, relatively predictable and presently represents the vast majority of growth. Most tenants who cannot use types 1 and 2, and who require well priced midsized buildings built in a relatively short time frame (types 3 and 4) have tended to grow and/or migrate to the 905. Types 5 & 6, community based office space and government buildings are located near their immediate customer and again have relatively predictable demand but represent a relatively small portion of the market.

The following two projections of office employment from 2011 to 2041 are based on techniques used in the private sector. They are a base case driven by historical trends, and a second case incorporating emerging trends and public policy changes to enhance and support those new trends. The two are a "business as usual" analysis and one based on outcomes arising if the above building Types 3 4 and 5 were to become more attractive to tenants whose needs are not met in Types 1 and 2.

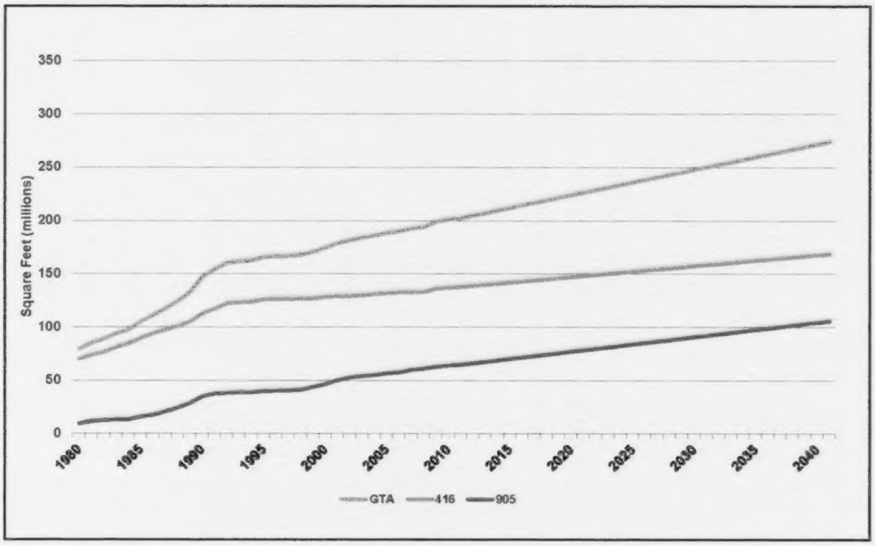
---

[1] This size represents a threshold above which few multi-tenant buildings occur outside of office nodes or clusters.

"Business as Usual" Projections

For the past 20 years the GTA office market has been driven by decisions made by tenants and has until recently favoured the 905. The period from 1980 to 1992 was shaped by decisions made by development investors and clearly favoured the downtown core, centres in Mississauga, Markham, North York, Etobicoke and Scarborough where buildings were built in advance of tenant leasing commitments. The past 20 years of building growth is characterized by risk averse developers and driven in large part by the financial services sector supported by its customers and suppliers and a growing creative class in non-traditional building types and locations. We projected the growth of those groups in those two classes of buildings with a modicum allocated to the other classes with the following result.

Figure 4.8: 'Business as Usual' Office Growth



Source: Real Estate Search Corporation

This methodology identifies a need for an additional 20.5 million sq. ft. of building space in the City of Toronto at 2031 and an expectation for the region of 48 million sq. ft. At 2041 these figures increase to an additional 31 million sq. ft. for Toronto and almost 72 million sq. ft. for the GTA. The challenge from a planning perspective is whether we have enough "development ready" building sites which meet the needs of the tenants who are likely to grow in the city under these circumstances. The most aggressive estimates of new downtown "A" class supply possibilities come from CBRE in December 2011 when they suggested there was 11 million sq. ft. of potential on core development sites. Other estimates of buildings in the Kings that could be transformed into "brick & beam" type buildings range from 1 to 2 million sq. ft. There is plenty of potential in many other areas of the city but no demonstrated market appetite for those areas, including the city's Centres.

Preserving land for this type of employment space must be considered a priority which to date has not been widely recognized.

Trend Driven Projections

We revised the projections to generate a more aggressive case based on three emerging drivers in the growth profile of the Region.

1. A shift in residential patterns, with more unit growth directed to the core;
2. A continued and increasing strength of both the creative industries and the Financial Services Sector;
3. A belief that midsized tenants will want to remain and grow in the city rather than make the transition to the 905

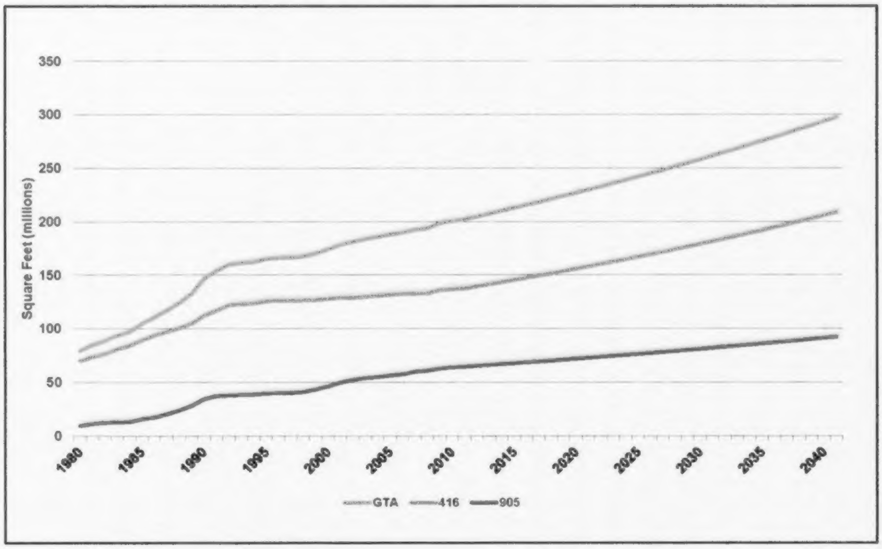
This projection is favorable to the city's employment base but requires a number of "if's" or assumptions which have no historical precedents. These contingent elements include:

- Policy commitments and market buy-in to intensification at higher order transit nodes;
- Incentives vs. disincentives to build offices in mixed use environments;
- Reduced building approval and development cycles in the city relative to the 905, enabling midsized value conscious transit friendly buildings to once again be built in the 416; and
- A supply of development-ready sites.

It further assumes that residential migration to the city continues on the pace at which it has grown for the last 10 years and that Toronto's Financial Services sector gains momentum based on its strength and attractiveness globally. As depicted in Figure 4.9, this projection shows need for 44 million sq. ft. of additional office space in Toronto and a regional need for 60 million sq. ft. to 2031. Growth to 2041 in this scenario would require 71 million sq. ft. of new office space in the city, coincident with need for 96 million sq. ft. for the GTA.

These assumptions all contain risk but, in the opinion of the authors, changes to the way employment uses, transit and economic development strategy are approached can pave the way for this level of growth.

Figure 4.9: Trend Driven Office Growth



Source: Real Estate Search Corporation

Other Projection Risks

Several variables could influence the trend lines considered in these projections, as follows:

Density

Trends which will decrease the number of square feet per employee are:

- Technology is allowing the amount of sq. ft. each employee uses to be reduced.
- Mobile offices, hotelling and flex hours are permitting employers to have more employees without having to provide as much office space.
- More efficient use of space

Trends which will increase the percentage of employees housed in offices relative to other built forms are:

- Technology is creating higher productivity and therefore, higher growth in the sector.
- The new economy is largely focused on creating jobs which are housed in office space while corresponding manufacturing facilities are smaller and more able to be in mixed use environments than old economy jobs.
- The new economy is replacing old economy jobs in mixed use environments where new types of buildings are becoming more in demand.
- The new economy jobs are found in former industrial environments not because the lands the buildings are in but for emerging status economics and immediate availability.

These trends have proven to be offsetting. The experience of the last decade shows that while productivity, density and new ways to communicate not requiring office space have increased, and functionality has led to more creative uses of buildings for office purposes, so too has the overall demand for office buildings. There is little doubt though that this new world will generate the need for proportionately more office space to be created in many different forms and places.

The Mobile Office

Density within the workplace has increased from 4 jobs per 1,000 sq. ft. to between 5 and 6 per thousand, by way of improved storage and access to support materials, libraries, files etc., better planning techniques and furniture design. This in itself has likely run its course, however, the mobile office and hotelling may permit employers to increase the number of employees and provide less office space. On the other hand the number of office based jobs will outperform other types because of the nature of the new economy. For the purposes of this report we assume that the offsetting forces at least for the next 20 years will lead to a balanced need for office buildings at the same rate as employment growth.

Mobility between Regions

Some new economy jobs have less of a stake in their relationship to their communities and can move to different regions, even countries, relatively quickly. We have witnessed this phenomenon in Toronto in a positive way with many of the banks repatriating jobs from other countries in the past decade. This trend can work both ways and is potentially unstable. It is driven mostly by human resources issues such as personal tax rates, quality of life, personal safety and a host of other non-real estate drivers. We did not consider these factors in the projections.

The Regional Perspective: Consistent and Steady Growth

Employment in office buildings in the GTA has grown at a steady and reasonably predictable rate. This is unusual in the North American context, where major business and socio-economic trends have led to wide fluctuations in demand. The GTA has seen only one major variance on this trend since 1980. Late in the 1980s the private sector development community throughout North America and in many other industrialized countries in the world over-committed to office space built absent corresponding demand. The result was a correction in the mid-90s and a reduced number of speculative builders. A new type of developer who was more demand driven and risk verse emerged and cooled the speculative nature of the business.

Since then the GTA has weathered several other major unforeseen events remarkably well. Those surrounding 9/11, SARS and the Financial Crisis of 2008 had little impact in general on the steady new supply of office buildings. Areas such as the Kings suffered through higher than normal vacancies during the SARS crisis, but that was short lived.

New data which accurately measures who occupies every sq. ft. of space and what type of business is conducted in the space reveals a strong diversity within the region. The Financial Services sector is the most visible because of the tall triple-A buildings which define the city skyline, but the medical, technology, cultural, design and new economy companies are very strong and growing rapidly.

What changes may occur over the long haul?

We carefully considered several recent trends which may portend an outlier effect. What happens to the business as usual argument if there is a:

- Significant shift in residential demand back to the 416 – with residential-driven employment growth shifting with it?
- Change in the Financial Services sector – more than expected growth as driven by a larger role in global finance?
- Leveling of the playing field – an investment by the City and Province in a new regional strategy to restrain sprawl, connect clusters and promote more mixed use development?

There is a very visible change in the region. Over 48,000 condominium units have been built, sold and occupied south of Bloor Street since 2000. Few saw that coming in the nineties. If put in terms of suburban sprawl those residential units represent as much as 10,000 acres of single family houses. If residential growth continues to re-focus on the downtown as transit investment is made and quality of life issues drive it, then those jobs which are dependent on residential growth will shift to where that residential growth is. A look at applications (for the City of Toronto as of Dec 31st 2011) for residential condominium projects shows the potential exceeds 90,600 units. If those buildings occur then that new trend will undoubtedly force reconsideration by many office employers.

The Financial Services sector is a little less certain. Although the 416 is very attractive for Financial Services, several forces are playing against that growth for anything other than very large AAA class buildings. The surrounding Kings area absorbed much of the related lower cost growth but the supply of those buildings has been almost exhausted and the time to build and cost for the medium size buildings required to sustain growth are significant challenges to policy and approvals processes.

The third outlier remains in the hands of those setting the conditions on the ground for building development, the leveling the playing field discussion. The problem centres on what has happened over the past 20 years.

Land Value Differentials

Despite the fact that technology is rapidly replacing real estate as the second biggest expense in running an office (after human resources), the cost of real estate is still a big driver for employers. Simply put, traditional areas of the city such as the financial core, a mixed use area, were always clusters with a small component of residential investment. This has changed and the desirability of genuine mixed use areas is at risk of falling prey to the building type which is most profitable. Presently land prices paid for residential sites are significantly higher than those paid for office space. Left to their own, without adequate policy preservation of an office space component, market forces will lead to a reduced supply of office sites.

There are many underperforming office buildings in less desirable locations such as Eglinton East where older "C" class building with 6 or 7 times coverage can be purchased and replaced by residential condominiums. These land economics issues need to be addressed or the supply of office buildings may in fact be reduced. The real challenge is to prevent the tenants who would have otherwise needed the sites or needed to stay in low cost space from simply moving to other regions.

Office buildings like condominiums require small foot prints relative to industrial or retail, but do require footprints in excess of ¼ of a hectare (25,000 sq. ft.) As the city continues to infill, those footprints in desirable locations are increasingly more valuable by virtue of their size. Coverage of those sites by residential builders is currently far greater than the office permissions and is also a generator of the price push. Employment densities are also greater in office buildings than residential buildings which are typically 400 to 500 sq. ft./ resident versus 150 to 200 sq. ft./ employee. For example, over 12,000 jobs are located on less than 2.5 acres/1 hectare of land at First Canadian Place.

All of these forces are conspiring to make the projections above hard to achieve, without public policy amendments and concomitant economic development efforts.

Nonetheless, the report adopts these high scenario projections as more indicative of upside potential for office development in the city, given the right pieces being put in place.

4.2.3 Population growth will bring need and opportunity for substantial new retail and service space

This section estimates potential retail and service commercial space need and opportunity in the City of Toronto to 2031 and 2041. "Retail and service commercial" space includes stores, services, and commercial tenants that are typically found in shopping centres, open air centres and "power centres", retail plazas associated with office buildings, and those clustered and free-standing along streets, avenues, pedestrian strips, and other areas of the city. Retail and service commercial space includes: food stores, non-food retail stores, personal services, restaurants, banks and financial services, medical, dental and other professional offices, entertainment, movie theatres, fitness centres, etc.

As described in Section 3.2.3, Toronto's retail and service commercial space is found throughout the city in the Downtown and Central Waterfront area, Centres, Avenues, Mixed Use Areas outside Avenues, Employment Districts, Institutional areas, and other areas of the city.

The following illustration of additional retail and service space opportunity in Toronto to 2031 and 2041 is based on population growth projections. Retail and service commercial uses are primarily population related and space opportunities are primarily driven by population growth. A population growth based projection is a standard approach used to forecast additional retail and service commercial space and a methodology accepted by municipalities and the Ontario Municipal Board. Although the following illustration is more relevant over the near and mid-term, the 2041 illustration is useful in providing guidance for planning purposes and overall commercial planning strategies.

The population projections include low and high growth scenarios based on the Low and High projections presented earlier. The projections are used to identify the potential magnitude of additional retail and service commercial space in the City of Toronto from 2011 to 2031 and 2041 as a basis for directing planning policy regarding employment uses.

The following tables (Figures 4.10 and 4.11) provide an illustration of additional retail and service commercial space opportunity in Toronto based on the Low and High projection of population growth. Population in Toronto is projected to increase from about 2,722,100 in 2011 (adjusted for undercount) to about 3,080,000 to 3,305,500 in 2031, an increase of 357,900 to 583,400 based on the Low and High projections respectively. By 2041, population in Toronto is projected to increase to about 3,210,000 to 3,528,900, an increase of 487,900 to 806,800 for the respective Low and High projections.

The illustration of additional retail and service space opportunity is based on a ratio of retail and service commercial space to population. Based on our extensive database of measured retail and service commercial space inventories in many Ontario municipalities, the ratio of retail and service commercial space to population varies by municipality. However, the ratio of space per capita in large urban markets generally ranges from about 30 – 50+ sq. ft. per capita. The following illustration is based on ratios of 30, 40 and 50 sq. ft. per capita in the City of Toronto. Various retail and service categories are summarized on the following tables. The illustration suggests there is opportunity for about 11 – 29 million sq. ft. of additional retail and service commercial space in Toronto from 2011 to 2031 as summarized in Figure 4.10. From 2011 to 2041, there is opportunity for about 15 – 40 million sq. ft. of additional retail and service commercial space in Toronto as summarized in Figure 4.11.

Figure 4.10: City of Toronto Additional Retail and Service Commercial Space Forecast to 2031 – Based on Low Population Growth Projection

				2031 Based on Low Population Projection			2031 Based on High Population Projection		
				Low [4]	Mid [4]	High [4]	Low [4]	Mid [4]	High [4]
Toronto Population Growth Forecast 2011-2031				**357,900**	**357,900**	**357,900**	**583,400**	**583,400**	**583,400**
	sq.ft./ Capita [1]								
Category	Low	Mid	High	Low sq.ft.	Mid sq.ft.	High sq.ft.	Low sq.ft.	Mid sq.ft.	High sq.ft.
Supermarket and Grocery	3.0	3.5	4.0	1,100,000	1,300,000	1,400,000	1,800,000	2,000,000	2,300,000
Other Food	1.0	1.5	2.0	500,000	500,000	700,000	600,000	900,000	1,200,000
Total Food Store	***4.0***	***5.0***	***6.0***	***1,600,000***	***1,800,000***	***2,100,000***	***2,400,000***	***2,900,000***	***3,500,000***
Department Store	3.0	4.0	5.0	1,100,000	1,400,000	1,800,000	1,800,000	2,300,000	2,900,000
Clothing and Clothing Accessories	2.5	3.0	3.5	900,000	1,100,000	1,300,000	1,500,000	1,800,000	2,000,000
Furniture and Home Furnishings	2.5	3.5	4.5	900,000	1,300,000	1,600,000	1,500,000	2,000,000	2,600,000
Home Improvement Related	1.5	2.0	2.5	500,000	700,000	900,000	900,000	1,200,000	1,500,000
All Other Retail	6.5	9.0	11.5	2,300,000	3,200,000	4,100,000	3,800,000	5,300,000	6,700,000
Total Non-Food Store Retail	***16.0***	***21.5***	***27.0***	***5,700,000***	***7,700,000***	***9,700,000***	***9,500,000***	***12,600,000***	***15,700,000***
Food and Entertainment Services	4.0	5.5	7.0	1,400,000	2,000,000	2,500,000	2,300,000	3,200,000	4,100,000
Professional Services [2]	3.0	4.0	5.0	1,100,000	1,400,000	1,800,000	1,800,000	2,300,000	2,900,000
All Other Services	3.0	4.0	5.0	1,100,000	1,400,000	1,800,000	1,800,000	2,300,000	2,900,000
Total Service Space [3]	***10.0***	***13.5***	***17.0***	***3,600,000***	***4,800,000***	***6,100,000***	***5,900,000***	***7,800,000***	***9,900,000***
Total Additional Retail and Service Commercial Space (rounded)	***30.0***	***40.0***	***50.0***	***11,000,000***	***14,000,000***	***18,000,000***	***18,000,000***	***23,000,000***	***29,000,000***

Notes:

1) Based on MGP retail and service commercial inventory data and professional judgement.

2) Includes financial, medical, dental, other.

3) Service space includes: Restaurants, bars, entertainment, fitness, personal services, banks and financial, medical, dental, other professional services, rental, and other services.

4) Low, Mid, High range at 30, 40, 50 sq.ft. per cap respectively.

Figure 4.11: City of Toronto Additional Retail and Service Commercial Space Forecast to 2041 – Based on High Population Growth Projection

				2041 Based on Low Population Projection			2041 Based on High Population Projection		
				Low [4]	Mid [4]	High [4]	Low [4]	Mid [4]	High [4]
Toronto Population Growth Forecast 2011-2041				**487,900**	**487,900**	**487,900**	**806,800**	**806,800**	**806,800**
	sq.ft./ Capita [1]								
Category	Low	Mid	High	Low sq.ft.	Mid sq.ft.	High sq.ft.	Low sq.ft.	Mid sq.ft.	High sq.ft.
Supermarket and Grocery	3.0	3.5	4.0	1,500,000	1,700,000	2,000,000	2,400,000	2,800,000	3,200,000
Other Food	1.0	1.5	2.0	500,000	700,000	1,000,000	800,000	1,200,000	1,600,000
Total Food Store	***4.0***	***5.0***	***6.0***	***2,000,000***	***2,400,000***	***3,000,000***	***3,200,000***	***4,000,000***	***4,800,000***
Department Store	3.0	4.0	5.0	1,500,000	2,000,000	2,400,000	2,400,000	3,200,000	4,000,000
Clothing and Clothing Accessories	2.5	3.0	3.5	1,200,000	1,500,000	1,700,000	2,000,000	2,400,000	2,800,000
Furniture and Home Furnishings	2.5	3.5	4.5	1,200,000	1,700,000	2,200,000	2,000,000	2,800,000	3,600,000
Home Improvement Related	1.5	2.0	2.5	700,000	1,000,000	1,200,000	1,200,000	1,600,000	2,000,000
All Other Retail	6.5	9.0	11.5	3,200,000	4,400,000	5,600,000	5,200,000	7,300,000	9,300,000
Total Non-Food Store Retail	***16.0***	***21.5***	***27.0***	***7,800,000***	***10,600,000***	***13,100,000***	***12,800,000***	***17,300,000***	***21,700,000***
Food and Entertainment Services	4.0	5.5	7.0	2,000,000	2,700,000	3,400,000	3,200,000	4,400,000	5,600,000
Professional Services [2]	3.0	4.0	5.0	1,500,000	2,000,000	2,400,000	2,400,000	3,200,000	4,000,000
All Other Services	3.0	4.0	5.0	1,500,000	2,000,000	2,400,000	2,400,000	3,200,000	4,000,000
Total Service Space [4]	***10.0***	***13.5***	***17.0***	***5,000,000***	***6,700,000***	***8,200,000***	***8,000,000***	***10,800,000***	***13,600,000***
Total Additional Retail and Service Commercial Space (rounded)	***30.0***	***40.0***	***50.0***	***15,000,000***	***20,000,000***	***24,000,000***	***24,000,000***	***32,000,000***	***40,000,000***

Notes:

1) Based on MGP retail and service commercial inventory data and professional judgement.

2) Includes financial, medical, dental, other.

3) Service space includes: Restaurants, bars, entertainment, fitness, personal services, banks and financial, medical, dental, other professional services, rental, and other services.

4) Low, Mid, High range at 30, 40, 50 sq.ft. per cap respectively.

The opportunity for 11 – 29 million sq. ft. of additional retail and service commercial space in Toronto by 2031 could include:

- About 2 – 3 million sq. ft. of food store space which could take the form of about 20 – 30 large format supermarkets, 50 – 80 mid-sized supermarkets, 80 – 150+ smaller sized supermarkets or a rationalization and/or expansion to existing supermarkets, along with the addition of other specialty food store space by 2031;
- About 1 – 3 million sq. ft. of department store space or about 10 – 30 additional department stores;
- About 500,000 – 1,500,000 sq. ft. of additional home improvement space which could take the form of about 5 – 15 additional larger home improvement stores or a combination of various sized stores;
- About 4 – 11 million sq. ft. of additional other non-food retail space; and,
- About 3.6 – 10 million sq. ft. service space including restaurants, entertainment, banks and financial services, medical, dental and other professional services, personal services, and other services and commercial space.

The analysis suggests the additional retail and service commercial space opportunity in Toronto from 2011 – 2041 totals about 15 – 40 million sq. ft., or about 33% to 40% greater than that identified for the 2031 horizon.

The type of retail and service space identified generates opportunity for a variety of forms and formats ranging from small scale local and convenience serving to larger scale retail stores and a range of shopping centres as well as office and employment related retail commercial and service space.

The larger floor plate stores and typical tenant characteristics are identified since they are the main determinants that establish the role, form, and function of commercial areas, shopping centres, streets, and avenues.

Retail and Service Commercial Space Forms and Formats

Although retail/commercial forms, formats, and the structure and the distribution of retail/commercial space in Ontario municipalities have evolved over the years, most municipalities and their Official Plans accommodate some form of commercial structure containing some or all of the major commercial components as set out in the following table (Figure 4.12). The table summarizes a generic commercial structure which is commonly found in Ontario municipalities.

The analysis for the City of Toronto indicates opportunity for a complete array of various types of shopping and service commercial forms and formats with varying roles and functions within a complete commercial structure. In general, the analysis indicates opportunity for:

- Regional and district sized shopping centres (open air and enclosed) – fashion oriented and comparison shopping typically anchored by department stores;
- Neighbourhood serving centres and facilities – including supermarkets, stores and services that serve day-to-day and weekly shopping needs; and
- Convenience and local serving facilities which serve the day-to-day needs of local neighbourhoods and employees of an area – characterized by a high portion of food services, restaurants, personal service and convenience oriented uses.

Open air centre and shopping centre locations are typically based on the following location criteria:

- Large available site;
- Prominent intersection, with good local and regional access and visibility;
- Access to major arterial roads and/or expressways;
- Access to public transportation;
- Access to large market area and population base;
- Access to existing and future population in the surrounding area; and
- Distance to other existing large scale shopping centres.

Figure 4.12: Generic Commercial Structure

Generic Commercial Structure		
Typical Type and Function	**Typical Size (sq.ft.)**	**Typical Tenant Characteristics**
Regional (enclosed or open air or "power centres")	> 500,000 – 1,000,000+	• Extensive variety of general merchandise including one or two full line or discount department stores and/or specialty anchors • Emphasis on general merchandise and apparel
Sub-Regional or District (enclosed or open air)	300,000 – 500,000	• Typically anchored by a larger scale supermarket and/or discount department store
Community	150,000 – 300,000	• Typically anchored by a supermarket and/or discount department store • Large drug store
Neighbourhood	50,000 – 150,000	• Supermarket • Drug Stores • Services
Convenience	< 30,000 – 50,000	• Drug Stores • Services • Bank • Convenience stores
Arterial Commercial or Commercial Corridor	wide variation	• Multiple market focus – local and regional • Stand alone or large formats • Tenanting themes such as home centre, discount/off-price, fashion outlet, power centre, automotive, retail warehouse • Some large tenancies of 20,000 – 100,000+ sq.ft.
Traditional Downtown Core and Pedestrian Strips	wide variation depending on evolution of the market	• Specialty retail and services • Restaurants and entertainment • Unique character • Multiple market focus including local, regional, tourist etc. • High proportion of non-retail commercial, high proportion of service
Mixed Use and Pedestrian Strips	wide variation	• Mix of commercial and residential development in compact urban form • Multi-purpose • Retail, service, community, institutional, cultural, recreational and residential uses.

Source: Malone Given Parsons Ltd.

Open air centres and shopping centres typically have coverage ratios of about 25% to 30% due to their parking requirements. Recent shopping centre development trends in the Downtown indicate that coverage ratios can be expected to increase reflecting the trend toward multi-storey retail and mixed use buildings and underground parking.

The retail and service commercial space analysis also establishes significant opportunity for local and convenience serving uses that serve the day-to-day convenience needs of residents in a nearby neighborhood and the businesses and employees of an area.

Open air centres, shopping centres, and other forms retail and service commercial space in Toronto are found in:

- The Downtown and Waterfront Area;
- Centres;
- Avenues;
- Mixed-Use Areas outside of Avenues,
- Employment Districts; and
- Other areas of the city.

Retail and service commercial space in the Downtown and Waterfront Area, Centres, Avenues, and Mixed-Use Areas is typically composed of small unit sizes (i.e. about 500 – 1,000 sq.ft. each), often do not have on-site parking, with stores and services at-grade, below and/or above grade. The space is typically characterized by high coverage or floor space index ratios and increasingly are part of mixed use developments.

Illustration of Effective Land Requirements

The following provides an illustration of effective land requirements for planning purposes. It is not intended to be a specific or typical land budget forecast of new undeveloped land requirements but is an illustration of an "effective" land requirement commensurate with the range of opportunity identified above. A large portion of the additional retail and service commercial space in Toronto will be accommodated by redevelopment of existing land, and/or integrated with some stacked and/or mixed use forms and formats. Figure 4.13 provides an illustration of an effective land requirement and allocation of retail and service commercial space opportunity in the City of Toronto by type or category, space allocation ranges, and an estimate of effective land allocation in 2031. By 2041, the additional retail and service commercial space increases by about a third from that of 2031.

The retail and service commercial space is anticipated to take on a variety of forms and formats including higher density forms, mixed use developments, at-grade, above and below grade, the PATH, shopping centres, plazas, and free-standing locations. A range of coverage ratios reflects a mix of development forms, formats, and locations. As noted, recent trends in Toronto suggest coverage ratios will increase. Mixed use and street related space has much higher coverage ratios or floor space indexes.

Figure 4.13 provides an illustration of effective land requirements relating to an additional 11 – 29 million sq. ft. of retail and service commercial space by 2031. The illustration shows an effective land requirement of about 290 – 430 hectares (710 – 1,090 acres). From 2031 to 2041, the effective land requirement increases by about 33% - 40%, to 380 – 640 ha.

Figure 4.13: Illustration of Effective Land Allocation in 2031

Category/Type of Retail/Commercial Space	Primary Anchor(s)	Secondary Anchor(s)	Illustration of Additional Locations or Shopping Centres	Illustration of Typical Centre Size (sq.ft.)	Illustration of Additional Space Allocation Ranges to 2031 (sq.ft.)	Estimate % Coverage	Illustration of Effective Land Allocation Forecast to 2031	
							(Hectares)	(Acres)
Regional or District (enclosed, or open air, or "power centre")	One or more department stores, WMC, home improvement	Supermarket, large floor plate, category dominant retailers, theaters	11 - 15	300,000 - 1,000,000 +	4,500,000 - 12,000,000	25% - 50%	170 - 220	410 - 550
Community	Small to mid size supermarket, large size drug store	NA	20 - 25	100,000 - 300,000	2,500,000 - 7,000,000	35% - 50%	60 - 130	160 - 320
Neighbourhood	Small to mid size supermarket	NA						
Convenience	Drug store, convenience stores services,	NA						
Arterial	WMC, home improvement, automotive	NA						
Downtown and Pedestrian Strips	Small to mid size supermarkets, drug store, specialty stores, services	NA	NA	Wide variation, including mixed use buildings, at grade condominium/ office, retail commercial space, below grade shopping centre, and the PATH	2,000,000 - 5,000,000	70% - 100%	30 - 40	70 - 110
Mixed Use and Pedestrian Strips	NA	NA	NA	Wide variation, retail, service	2,000,000 - 5,000,000	70% - 100%	30 - 40	70 - 110
Total (rounded)					**11,000,000 - 29,000,000**	**36% - 61%**	**290 - 430**	**710 - 1,090**

Source: Malone Given Parsons Ltd.

Directions of Growth

Increased opportunity for retail and service commercial space is mainly triggered by an increase in the population base in a market. Directions of current and future population growth are referenced as a guide to plan for strategic directions to accommodate new retail and service commercial space and to provide an adequate level of service to the evolving population. The location of population growth determines, to an extent, the opportunity for certain types of commercial facilities, particularly those which serve the daily and weekly needs of residents as well as those providing for higher order and comparison shopping space.

Since retail and service commercial uses are primarily population related, the direction of population growth provides guidance to direct the opportunity for additional retail and service space to serve growing population areas of the city.

The following table (Figure 4.14) summarizes the 2006 to 2011 Census population growth within Toronto's Downtown and Waterfront Area compared with all other areas of city. The growth rate is also compared with the provincial average.

Figure 4.14: 2006 – 2011 Census Population Growth: Downtown & Waterfront Area vs. Other Areas of Toronto and Ontario

	Downtown & Waterfront	Other Toronto Areas	Total City of Toronto	Ontario
Census 2011	206,000	2,409,000	2,615,000	12,851,800
Census 2006	172,200	2,328,700	2,500,900	12,160,300
Absolute Growth	33,800	80,300	114,100	691,500
Percent of Toronto Growth	**29.6%**	**70.4%**	**100.0%**	
Percentage Growth 2006-2011	**19.6%**	**3.4%**	**4.6%**	**5.7%**
Avg. Annual Growth	**3.6%**	**0.7%**	**0.9%**	**1.1%**

Source: PCensus population unadjusted for undercount.

Employment growth in the city also provides opportunities for additional retail and service space in areas such as the Downtown and Centres (North York, Yonge and Eglinton, Scarborough, and Etobicoke).

The findings are as follows:

- Population in Toronto's Downtown and Waterfront Area increased by about 33,800 from 206,000 in 2006 to 172,200 in 2011 (unadjusted for undercount).
- Population within all other areas of the city increased by about 80,300 from 2,328,700 in 2006 to 2,409,0000 in 2011 (unadjusted for undercount).
- About a third (29.6%) of the city's population growth from 2006 – 2011 was accommodated in the Downtown and Waterfront Area while most of the growth (70%) was accommodated in other areas of the city.
- Based on the average annual growth rate, the Downtown and Waterfront Area population growth was over three times greater than City of Toronto or provincial average (3.6% per year vs. about 1% per year).

High population growth in the Downtown and Waterfront Area and the large absolute amount of population growth elsewhere in the city indicates opportunity for additional retail and service commercial space in all areas of the city.

Figure 2.7 in Section 2 illustrates the location and distribution of residential development applications in Toronto. A large portion of residential development applications is located in the Downtown and Waterfront area. Other residential growth areas include the southwest portions of the city in Etobicoke, the Yonge Street corridor, and paralleling Highway 401 primarily east of the Allan Road. The amount of residential development applications in the Downtown and Waterfront Area and elsewhere in the city indicates opportunity for additional retail and service commercial space in all areas of the city.

The directions of population growth in Toronto and the amount and type of retail and service commercial space opportunity to 2031 and 2041 influence the amount of land required to accommodate various forms and formats of new retail and service commercial space in the city.

Space Allocations and Distribution

Opportunities should be provided to accommodate additional retail and service commercial space in various locations throughout the city:

- Population and office employment growth in the Downtown and Waterfront Area generates opportunity for new retail commercial space in the Downtown and Waterfront Area;
- Population and employment growth in other areas of the city also generates opportunity for new retail commercial space elsewhere in the city;
- Trends illustrate development of open air centres most of which are located in Employment Districts – Industrial, Avenues, and Mixed Use Areas of the city. Locations are characterized by and provide large land parcels, visibility and access to and frontage on major streets, and access to transit;
- Shopping centres are accommodated in Mixed Use Areas Outside of Avenues, the Downtown and Central Waterfront area, Avenues, Centres, and to a lesser extent, Employment Districts and other areas of the city;
- Mixed Use Areas provide opportunities for new retail and commercial uses in single or mixed use buildings;
- Avenues provide opportunities to accommodate a range of shopping centres, plazas, and free standing retail and commercial uses, primarily redevelopment, mixed use, and higher density sites. Larger scale development may be constrained by smaller parcel sizes and fragmented land ownership;
- Centres provide opportunities to increase the mix of uses and densities to serve new population and employment growth;
- Smaller scale retail and service uses are required to serve existing and future employees of Employment Districts – Industrial, Business Park, and other areas;

- Opportunities are presented to provide for mixed use and higher density retail developments including at-grade space within condominium and office buildings;
- Recent free standing and shopping centre developments illustrate a trend toward higher density formats compared with past trends. Constraints regarding land availability and higher land costs are driving recent retail trends;
- Opportunities to accommodate additional retail and service commercial space in Toronto imply an increase in jobs, tax base, and service to residents of the city and a stronger position for the city within the GTA.

It is important for Toronto to maintain and increase the level of retail and service commercial space considering the amount of existing and planned development elsewhere in the GTA.

4.2.4 Population growth and aging will bring substantial need for institutional uses providing care to the more elderly

On the assumption that major institutional uses (universities, colleges, hospitals) will continue to fulfill their expansion requirements on their current properties, demand for land to support care for the aging and aged can be assessed on its own. Figure 4.15 below calculates land needs based on a growing share of total Health Care and Social Assistance jobs by jobs in Other Health Services and Homes for the Aged out to the 2031 and 204 horizons. This share is assumed to grow from 20% in 2011 to 35% by 2041. When applied against a measured density of 85 jobs/ha, job growth in this sector will require from 300 to 850 ha of additional land (compared to roughly 380 ha today).

Figure 4.15 Land Needs for Non-Hospital Health & Related Services

A. Jobs in Other Health Services & Homes for the Aged in 2011	32,200
B. Total Health Care & Social Assistance Jobs, 2011	163,700
Share A/B	19.7%

	2031		2041	
	Low	High	Low	High
Total Health Care, Social Assistance Jobs Forecast	192,500	255,400	208,500	297,600
Share of Jobs in Other Health Services & Homes for the Aged	*30%*	*30%*	*35%*	*35%*
Jobs in Other Health Services & Homes for the Aged	57,800	76,600	73,000	104,200
Growth from 2011 - Horizon	25,600	44,400	40,800	72,000
Land Requirement @ 85 jobs/ha	**300**	**520**	**480**	**850**

Source: Toronto Employment Survey, 2011; Malone Given Parsons Ltd.

4.3 Comparison of land needs to vacant land supply highlights competition for a bounded and finite resource

One of the challenges to planning for the accommodation of employment growth in Toronto is the fact that its urban landscape is bounded. The city is largely built out, with few remaining opportunities to accommodate growth through greenfield expansion. At some point, new space can be provided only through redevelopment – the replacement of the old with the new as has already been underway for a number of cycles nearer to the downtown and waterfront. One of the questions implicit in a Comprehensive Review in a setting like Toronto's becomes that of where should or shouldn't redevelopment be focused. The discussion below integrates consideration of core place-based needs for different employment types with our understanding of land supply and land needs to bring guidance to the matter.

To recap, the preceding forecasts defined potential population and employment growth as summarized in Figure 4.16.

Figure 4.16: Summary of Population and Employment Growth Forecasts

	2011 (Estimate)	2031		2041	
		Low	High	Low	High
Population	2,722,100	3,080,000	3,305,500	3,210,000	3,528,900
Growth after 2011		357,900	583,400	487,900	806,800
Employment	1,532,700	1,640,000	1,941,000	1,710,000	2,116,800
Growth after 2011		107,300	408,300	177,300	584,100
Growth in Employment Space Requirements from 2011 (millions of sq. ft.)					
Office Space* - C4SE Projection		**7**	**29**	**11**	**42**
Office Jobs Growth		*37,900*	*146,200*	*56,900*	*216,900*
Office Space* - RESC Projection		**21**	**44**	**31**	**71**
Office Jobs Growth		*105,100*	*225,600*	*158,500*	*364,600*
Industrial Space*		**11**	**31**	**18**	**44**
Retail & Service Space*		**11**	**23**	**15**	**32**

* Job space is described as Net Rentable Area for office space (convertible to Gross Floor Area by dividing by 0.85), Gross Floor Area (GFA) for industrial space, and Gross Leasable Area (GLA) for retail and service space. Retail and service GLA/GFA ratios vary with form.

Source: Centre for Spatial Economics-Strategic Projections Inc., Real Estate Search Corporation, Cushman & Wakefield, Malone Given Parsons Ltd.

These are interpreted to generate estimates of land needs for comparison to the supply inventory in the remainder of this section. Several considerations should be noted before those outcomes are reviewed:

4.3.1 Core place-based needs for major employment sectors must be considered

As outlined in Section 2, most industrial and office uses need specific attributes available in relatively few places across the urban landscape. For many industrial uses, these core needs include:

- Separation from uses sensitive to 24/7 activity, noise, lights and odour;
- Certainty about that separation being maintained;
- Accessibility to suppliers, customers and labour via proximity, highways, major arterials and transit;
- All supported by clustering of similar and complementary uses together vs. dispersal among non-complementary or potentially conflicting uses.

Similarly, office use needs include:

- Clustering, to enable easy face to face contact and proximal access to suppliers, customers, labour, research networks, etc. Density enables walkability and requires higher order transit connectivity to workers' places of residence and to other clusters. Mass begets mass;
- Access to urban amenities, including retail & services providers, entertainment and recreation.

Among the other two major sectors, institutional uses are largely bound to their current locations (e.g., higher education campuses, hospitals) or need to locate where needs arise (neighbourhoods) with good access from transit or to shopping, greenspace, etc. Growth needs into the future will be driven by population growth and aging. Retail and service needs are population-serving and need to be where customers are, be they residential or daytime workers, or where they are moving to. Neither institutional nor community-oriented retail & service uses need to be located in industrial areas but these have become attractive locations nonetheless – they fulfill common access requirements, and enable easier and often less expensive acquisition of larger parcels. In the case of retail and service uses, they are also an employment use with planning permissions, and benefit industrial operators and employees alike.

To highlight the self-evident, residential uses are the most footloose and dispersed, with the least specific needs for particular locational attributes. They benefit the most from access to community services, soft infrastructure, greenspace transit and, in an ideal world, walkable access to places of work. The downtown is proving to provide a compelling combination for younger talent.

4.3.2 The vacant land inventory is not as deep as it appears

Notwithstanding an apparently substantial inventory of vacant land, several factors discount the extent to which it represents effective supply:

- The inventory data itself is likely imperfect;
- A variety of forces act to ensure that some part of a land inventory remains vacant over the long term. Most analysts incorporate a vacancy factor in the range of 7.5 – 15% to account for this "frictional" vacancy as well as for a market contingency factor to maintain choice in the market over time. Land vacancy in Toronto's Employment Districts – "Industrial" and its Employment Areas is at roughly 10%;
- The inventory is very heavily weighted to smaller parcels – 73% of parcels make up 16% of the land area in the inventory;
- The largest parcels, in northeast Tapscott, require services extensions before they are "shovel ready".

4.3.3 There is more land demand than there is vacant supply

The preceding estimates of space and land needs to 2031 and 2041 are summarized in the top left quadrant of Figure 4.17. Office space requirements are converted to a land requirement at an assumed 7x Floor Area Ratio. The lower half of Figure 4.17 illustrates one set of potential outcomes when needs are compared to supply at the 2031 and 2041 horizons. It parses the city's employment typologies into functional groupings, and matches those with illustrative work-ups of total land needs for employment growth at 2031 and 2041. The functional groupings and their respective vacant land inventories are shown in the middle of the table. Several observations can be made:

- Depending upon the growth forecast scenario, land needs at each horizon are roughly balanced at close to one-third each for industrial, retail & service and institutional lands. The high growth scenarios lodge a higher share with industrial land needs;
- The high employment densities attached to office lands gives them very high leverage – commitments to relatively small land areas generate high employment (and wealth) yields;
- For the 'A' group of industrially-oriented lands in the Employment Districts –"Industrial " and Employment Areas, frictional vacancy in all likelihood means that the apparent vacant lands surplus indicated in the table for the Low growth scenarios is illusory. There is insufficient land in these areas to accommodate all forecast industrial employment growth plus retail & service and institutional uses demand at the assumed shares.

Figure 4.17: Land Needs and Supply by Functionality

Comparison of Land Needs vs. Vacant Lands Supply

Land Needs (ha): 2011 - 2031/41

	2031		2041	
	Low	High	Low	High
Industrial	260	709	424	1,021
Office	28	58	41	94
Retail & Service	290	430	380	640
Institutional	300	520	480	850
Total	**878**	**1,717**	**1,325**	**2,605**

Vacant Lands (ha) - 2011

Locality	ha
Downtown & Central Waterfront	113
Downtown & Central Waterfront - Parking Lots	32
Centres	34
Employment District - "Industrial"	625
Employment District - "Business Park"	18
Employment Areas outside Districts	61
Avenues	69
Total	**951**

Land Needs & Supply Parsed by Functionalities

Place/Functionality Types	Vacant Supply	Potential Uses
A. Employment Districts - "Industrial", Employment Areas	686	Industrial + Mid-Size Office, Retail & Service, Limited Institutional
B. Downtown & Central Waterfront, Centres, Business Parks	196	Tower & Mid-Size Office + Retail & Service, Institutional, Industrial
C. Avenues (+ Mixed Use Areas Outside of Avenues, and Other areas	69	Mid-Size Office, Retail & Service, Institutional
Total	951	

Land Needs vs. 'A' Lands Supply (hectares)		2031		2041	
		Low	High	Low	High
Supply		**686**	**686**	**686**	**686**
Needs					
Industrial @	98%	255	695	416	1,001
Office @	3%	1	2	1	3
Retail & Service @	35%	102	151	133	224
Institutional @	15%	45	78	72	128
Total		**403**	**926**	**622**	**1,356**
Surplus/(Deficit)		**283**	(240)	**64**	(670)

Land Needs vs. 'B' Lands Supply (hectares)		2031		2041	
		Low	High	Low	High
Supply		**196**	**196**	**196**	**196**
Needs					
Industrial @	2%	5	14	8	20
Office @	90%	25	52	37	85
Retail & Service @	35%	102	151	133	224
Institutional @	30%	90	156	144	255
Total		**222**	**373**	**322**	**584**
Surplus/(Deficit)		(26)	(177)	(126)	(388)

Land Needs vs. 'C' Lands Supply (hectares)		2031		2041	
		Low	High	Low	High
Supply		**69**	**69**	**69**	**69**
Needs					
Industrial @	0%	0	0	0	0
Office @	7%	2	4	3	7
Retail & Service @	30%	87	129	114	192
Institutional @	55%	165	286	264	468
Total		**254**	**419**	**381**	**667**
Surplus/(Deficit)		(185)	(350)	(312)	(598)

Source: Malone Given Parsons Ltd., Cushman & Wakefield, Real Estate Search Corporation, The Centre for Spatial Economics - Strategic Projections Inc.

- The apparent surplus disappears and becomes a significant deficit for the High growth forecast at 2031 and 2041;
- The city's boundedness means it will run out of available vacant land for new industrial employment between 2031 and 2041, if not earlier;
- For the 'B' group of Downtown and Centres lands, there is a significant surplus of vacant land for office uses, but one which effectively disappears in all scenarios if the assumed shares of retail & service and institutional uses are accommodated;
- The 'C' group outcome is a bit misleading in that the "Avenues" inventory does not include vacant lands in Mixed Use Areas outside of Avenues or in other parts of the city. It does illustrate though that, again, there appears to be opportunity to accommodate high leverage office uses, but not those plus all retail & service and institutional uses at the assumed shares.
- Share assumptions for the retail & service and institutional uses could be reduced for each of the land type groups to reflect the reality of other location opportunities in the city outside of the enumerated lands. Testing for sensitivity to such adjustments does not materially change the outcomes described above.

Overall, the analysis presented in Figure 4.17 leads to the following conclusions:

1. Employment growth in the city will be accommodated through a combination of absorption of still vacant lands, and redevelopment of currently occupied lands, with substantial overlap and competition for the same lands. The vertical stacking of retail on itself or under residential and office uses will become more pronounced;
2. In terms of wealth-generating employment, preservation of site opportunities for future office uses is the highest leverage strategy with the smallest commitment of land area;
3. High wealth-generating but much more land extensive industrial employment uses have the fewest options for finding acceptable sites – preserving existing employment sites needs to be an ongoing priority in planning for the city's prosperity and competitiveness;
4. The city will have effectively run out of vacant industrial land by 2031, and needs to manage its employment sustaining land base with a view to preserving its wealth creating functions. That said, there will continue to be instances (e.g., orphaned parcels, surrounding land use change) where transition to an alternative use may be a reasonable planning decision, particularly where it might leverage more employment space. The key

focus needs to be on preservation or enhancement of existing industrial or office functionality and capacity.

4.4 Planning for transit cannot be separated from planning for employment uses, intensification and wealth generation

There continues to be uncertainty about higher order transit modes or routes serving Toronto beyond those elements identified in Metrolinx's "Big Move" document. Commitment to new routes will necessarily bring requirements for payback of the necessary investment, and rapid development of density around key nodes. Few locations will be compelling to office uses, highlighting the fact that serving those locations should be an important consideration in transit planning. Some options utilize or parallel the mainline rail routes radiating from Union Station. The geography of many of the city's industrial employment areas, arrayed as many of them are along those routes, will require careful consideration of how to best optimize transit and nodal development while preserving as much of the affected areas abilities' to continue to generate wealth as possible.

Given the potential impact on the geography of land markets, and vice versa, planning for future transit service must be approached in concert with planning for employment uses, and economic development strategy.

5.0

POLICY DIRECTIONS

Policy recommendations focus on industrial land base preservation and targeting office growth. Success will require integration of planning policy, transit investment and economic development initiatives.

Building from the foundation of the preceding sections, and drawing from precedents and thinking captured in the appended case studies, Section 5.0 addresses policy recommendations for consideration as the City completes its Official Plan Review. The discussion is organized around the Official Plan's current urban structure and designation typology. It begins with presentation of key considerations and strategically desired outcomes for each, and concludes with a summary table listing all current employment oriented policies and recommended directions for revisions.

5.1 Case study explorations of issues and other jurisdictions' policy approaches help focus directions

The study undertook five Case Studies to inform its analysis and policy recommendations. These are provided in full in Appendix 2. They address:

- The Nature and Importance of Industry and Employment Linkages in Toronto;
- Managing the Impacts of Land Value Differentials in Land Use Change;
- Maintaining Employment Opportunities in the Face of Land Use Change;
- Amenitization and Functionality; and
- The Challenges to Vertical Mixing of Multiple Uses.

Key observations from those studies helped inform the definition of themes shaping policy directions, and the study's policy recommendations themselves. These observations are summarized as follows:

From *Employment Linkages*:

- Preservation of existing manufacturing employment and industrial employment lands and accommodating/attracting office sector employment are the highest leverage strategies the city can pursue for securing its ability to generate job growth and wealth.

From *Managing the Impacts of Land Value Differentials in Land Use Change*:

- Planning decisions need to be grounded in sustainable city-building and consideration of economic, fiscal, social and environmental objectives;
- Certainty about the rules and consistency in applying them are central to giving clear signals to the urban land market.

From *Maintaining Employment Opportunities in the Face of Land Use Change*:

- Preservation of industrial lands requires clear definition of intentions and boundaries;
- The need to specifically target a continued supply of well-located office space is being recognized in new planning directions in such other global cities as Vancouver, London and Sydney.

From *Amenitization and Multi-Functionality*:

- The mixed-use model integrating residential, retail and office if not industrial uses has become the "go to" ideal for urban redevelopment, particularly around transit stations;
- Enabling mixed uses along higher-order transit-served edges of business parks with office densities could re-vitalize their otherwise flagging market attractiveness.

From *Challenges to Vertical Stacking of Multiple Uses*:

- Differing structural requirements and market cycles heighten the potential risks to vertically mixed projects with more than two elements (e.g., residential above office above retail). While they can be encouraged, they should not be specifically required;
- Policy for larger parcels in appropriate settings should consider requiring the horizontal integration of mixed uses.

5.2 The context, situation analyses and the growth forecasts outline five themes shaping directions for policy

The foundation analyses for the study, as described in the preceding sections and as informed by the Case Studies, lead to the following conclusions about the directions planning policy for employment uses need to pursue:

- **Planning policy for employment uses needs to change with the evolving economy;**
- **Employment policy needs to deliver office space production in dense mixed use areas with higher order transit service;**
- **Industrial activity and the land base upon which it depends continue to need to be nurtured;**
- **Retail, service and institutional uses will generate significant employment growth and will need to be accommodated in a variety of community-serving locations and forms;**
- **A new employment strategy is required to realize the potential to bring 200,000 + more office jobs to the city than indicated by a "business as usual" path over the period to 2041.**

A new policy direction, complementing that in place today, will secure the city's competitive position in the GTA. Fulfilling office growth potential, in concert with other policy improvements, will secure significant job growth, enable balanced intensification, create additional wealth and expand top-line tax revenues – all to the benefit of Toronto's prosperity. That said, planning policy for employment uses can best realize these outcomes only if it is integrated with planning for transit, and with economic development strategy, as explored below.

5.3 Planning policy, transit investment and economic development strategies should be three pieces of an integrated whole

5.3.1 Economic Development strategies have to connect to the ground

Economic development strategies have long recognized the need for space to accommodate new growth in industrial, institutional and office based clusters. The barriers posed by such issues as the City's tax rates, approvals timelines and land price competition from residential development have been recognized. The creation of new employment space is becoming an outcome targeted for its ability to house growing employment sectors and generate increased tax revenues.

The elements still missing though, and which may emerge from the City's in-development *Economic Growth Plan, 2012 -2014*, are specific targets for job or space generation, and strategies and tactics to overcome barriers and enable the continued supply of job space, particularly new office job space. These are a necessary part of an integrated and aligned growth strategy, and are expected to be informed in part by the conclusions and recommendations of this study.

5.3.2 Transit planning needs better integration with employment growth needs

Current transit plans are largely focused on aligning transit implementation in accordance with the policies of the Growth Plan, to serve the Urban Growth Centres and feed the Yonge Street spine. There is a risk that this will not provide the connectivity to the employment spaces required to meet the growth projections of this report or the clustering requirements of the desired mix-use outcome.

Office clusters in intensified environments require higher order transit ("major transit" as defined in the Growth Plan) to facilitate the efficient movement of people to and from work. To achieve growth expectations or potentials over the next 30 years, a coordinated approach to the preservation of office employment land in transit friendly locations is paramount to success. Building transit without connection to these proven clusters will not create the necessary growth for the clusters or deliver adequate ridership for the transit. Planning for growth clusters without transit support is equally risky.

Planning for employment growth must be integrally linked with final definition of a transit plan for Toronto, and with current high order transit nodes and stops.

5.3.3 Planning policy for employment, transit planning and economic development strategies are three pieces of one puzzle

Strengthening integral linkages between planning policy, transit planning and economic development initiatives will be critical to the city's competitiveness. Attracting office employment needs to be positioned as a key economic development priority, with policy and programme support to ensure timely approvals processes in established clusters. Policy must level the economic playing field by balancing the apparent risks and rewards for office vs. residential uses through no net loss and leveraged employment space provisions, capacity targets, reduced parking standards and higher density permissions where higher order transit service is or will be available. Transit planning must serve existing concentrations and require the creation of new concentrations on new routes. Each piece of the puzzle is necessary to creating the employment growth engine.

5.4 Policy recommendations address key considerations and desired outcomes for Toronto's employment uses typology

The presentation below summarizes the consulting team's views of the key considerations shaping or to be addressed by policy for each of Toronto's employment localities, followed by thoughts on the strategic outcomes most reasonably targeted by planning for their respective futures. The focus is on maintaining and enhancing opportunities to accommodate employment and its growth in the City, to the benefit of its competitive advantages within the GTA and globally, and increased prosperity for the City and the wider region. The study's policy recommendations articulate four over-arching themes, each of which extends across several of the Toronto Official Plan's (OP) policy areas:

1. **Integrate long range plans for transit, land use and economic policy to enable the city to develop intensified office employment clusters in mixed use environments, with capacity for up to 70 million new sq. ft. of office space by 2041;**
2. **Continue to protect industrial lands and existing industrial uses from uses that conflict with their functionality;**
3. **Continue to provide a variety of places for growth in the retail, service and institutional sectors;**
4. **Follow through on the Growth Plan direction targeting major transit station areas for intensification.**

The considerations, desired outcomes and policy recommendations follow. They are presented together with current OP policy for the related designations at the end of the section.

5.4.1 Office space needs a better playing field and capacity targets

Key Considerations

It appears likely that new office tower space development opportunities in and near the financial core are sufficient to sustain demand for the growth of the financial core's main business sector – Financial Services - as long as those sites remain available and economically viable. This sector has been growing at the rate of 650,000 sq. ft. per annum and represents the "business as usual" case.

New buildings in the 20,000 to 250,000 sq. ft. size range located in other proven office employment clusters is the market segment Toronto has been losing to the 905. Creating the conditions on the ground to facilitate change in this sector will enable the city to meet the growth potential and diversity of employment functionality projected in this report. As described in Section 4.2.2, the gap between potential and status quo office space and jobs growth amounts to roughly 22 million sq. ft./120,000 jobs at 2031, growing to as much as 40 million sq. ft./200,000 jobs by 2041. Bridging this gap at least in part will be necessary to balancing potential population growth with job space growth.

A common question relates to the feasibility of vertically stacking mixed uses, e.g., residential over office over retail, and the extent to which such integration can deliver new supply. The emerging view appears to be that different demising requirements and column vs. wall structure technologies constrains viability and limits the practicality of a general application. An alternative form puts office over retail podium faces on residential towers, but this form is limited in its ability to generate substantial increments of new office space (see Case Study 5 in Appendix 2).

Businesses today plan their growth over shorter and shorter time periods. They must react quickly to global competition, product changes, technology shifts and other forces that require new or changed facilities. Toronto, like other global cities, must recognize that competitive success requires enabling businesses to realize their real estate needs on much shorter decision cycles. The growth of business in isolated business parks in the suburban 905 areas allowed for rapid response to business needs when developed urban areas like the City of Toronto did not.

The challenge for the city is to create the conditions where buildings can be built in mixed use clusters on competitive timelines. The critical element is the creation of certainty/reduction of risk attached to outcomes of the planning approvals process and the creation of "development ready" sites. New policy should consider clear permissions and specific capacity targets, with allocations to those areas ultimately considered most optimal, as identified in concert with transit planning. Capacity targets should enable achieving the 40 million sq. ft. potential described above.

As noted in Case Study 3 in Appendix 2, the strategic role of office clusters and the importance of maintaining a supply of new office space are explicitly recognized in new Official Plans for the cities of London, Sydney and Vancouver. Vancouver has identified downtown areas in which any redevelopment must provide a minimum proportion of office space, but that city differs from Toronto in that decisions of Council cannot be appealed.

Desired Outcomes

- Preservation of a land base enabling a continued supply of mid and large scale office space;
- Reduction of the uncertainties and risks related to planning approvals outcomes and timelines;
- A policy basis for identifying the need to provide for job space in appropriate settings;
- Improved transit connectivity on both east-west and north-south axes, particularly (over the longer term) to the Port Lands, enabling lower parking space requirements.

Recommendations:

For office uses generally across the city:

1. Create policy with supporting review and decision processes enabling and committing to a less than three year development cycle for all office development;
2. Consider reduced parking standards and higher density permissions for new office development along existing or new transit routes;
3. Ensure that new transit route planning is linked with established office clusters and potential new clusters with economic and planning conditions that meet the competitive demands of employers;
4. Consider identifying office clusters with minimum target densities and capacities along existing or new major transit routes proximate to but outside the Downtown and Central Waterfront area, and within 500 m of all major transit stations to generate mid-sized competitively priced office development;
5. Consider the role of Development Permit Systems or pre-zoning in providing certainty and expediting development approvals.

5.4.2 The Downtown and Central Waterfront area needs to balance population growth with employment growth

Key Considerations

The Downtown and Central Waterfront area generates some 51% of Toronto's wealth and is centre-pin to the economic health of the GTA. Its ability to continue to expand this role depends in large part on its continued ability to accommodate office tower growth and mid-size office modules. Its ability to balance expected population growth will like-wise depend on continued production of new employment space. Toronto and the downtown are proving unable to bring new mid-size space modules to market within required timelines, and are losing this segment of the office employment market to the 905. There is a reasonable expectation that office tower projects will continue to come forward, but mid-scale modules will be further challenged by impending build-out in the Kings, price competition from high density residential, potential conversions of current employment space to residential and competitive supply in the 905.

Parking requirements play a significant role in development economics – more development will be more economic if better transit service enables lower parking standards. New development pressure is expanding outward from the core, but will need to continue to be part of a high density, walkable and connected mass of working and living vitality.

Desired Outcomes

- Preservation of a land base enabling a continued supply of mid and large scale office space;
- A policy basis for identifying the need to provide for job space in appropriate settings;
- Sustained supply of retail & service space commensurate with population and office employment growth;
- Improved transit connectivity on both east-west and north-south axes, (particularly, over the longer term, to the Port Lands) enabling lower parking space requirements.

Recommendations:

1. Add new policy providing that no net loss in employment space be permitted through site redevelopment;
2. Consider identification of an expected minimum jobs space component for development of parcels above a threshold footprint size;

3. Ensure an adequate allocation of office employment requirements to the Downtown and extended areas to achieve the goal of delivering 70 million sq. ft. of new office space by 2041.

5.4.3 Centres need broader solutions for balanced intensification

Key Considerations

The city's Centres – Yonge-Eglinton, North York, Etobicoke and Scarborough – are all located on subway/SRT routes at multi-modal nodes. They offer varying degrees of street-oriented walkable urban amenities, with North York and Yonge-Eglinton being the most vital. These assets notwithstanding, the Centres have largely failed to fulfill employment growth expectations for 25 years. The reasons are uncertain – neither planning permissions nor transit (by and large) have been the constraint. Location, land economics and perhaps an absence of a more directive planning framework appear to be the contributing factors. The Centres are also subject to continued pressure for residential vs. office development.

There is little evidence indicating that this will change, yet the Growth Plan targets the city's Centres for significant intensification. Growth prospects appear more likely driven by population growth and population-serving employment. If intensification is to offer balanced live/work relationships, greater employment growth needs to be attracted, perhaps through incentives, and employment losses or losses to the potential employment space land base need to be minimized.

Desired Outcomes

- Renewed market interest as new office locations, recognizing current disinterest;
- Sustained supply of retail & service space commensurate with population and office employment growth.

Recommendations:

1. Consider specific study to better understand the reasons behind the lack of office investment in Centres, and the likely nature of more effective planning and stimulus/incentive programs;
2. If targeted programs make them appear achievable, allocate office space targets to the Centres in keeping with achievement of the 40 million sq. ft. target for the city by 2041.

5.4.4 Business Parks need to integrate transit and amenitization

Key Considerations

These Employment Districts – "Business Parks" are arrayed along the Don Mills Rd./Don Valley Parkway corridor, having been developed as car-oriented suburban parks in the 1960's and 70's. They are generally more homogenous in use – a mix of office, industrial and some hotel use with little in the way of street or pedestrian-oriented form or activity. They are disadvantaged by congestion but will benefit from LRT transit extensions along Eglinton Ave., Sheppard Ave. and perhaps Don Mills Rd. in the longer term. They are generally attractive to smaller office tenants at a rent discount compared to all other office venues in the City except buildings in other Employment Districts.

As designated areas of employment, the business parks are subject to the conversion tests of the Provincial Policy Statement (PPS). It is expected but not certain that the attraction of more urban amenities to the edges of these areas through limited redevelopment (including residential) could improve their attractiveness as office locations (see Case Study 4 in Appendix 2). Growth prospects otherwise appear flat. The office concentration and the prospects for improved attractiveness through limited redevelopment indicate the business parks should have their own employment designation apart from a re-structured Employment Districts category. Core industrial lands, where present, should have that function protected from change.

Desired Outcomes

- Renewed market interest as new office locations, recognizing current disinterest;
- Preservation of the employment land base balanced with opportunities for vitalization along arterial edges served by higher order transit;
- Sustained certainty about intended employment function and related land use permissions for interiors;
- Flexible permissions to accommodate new employment uses of existing spaces;
- Protection of existing employment uses from new cost or friction burdens arising from re-development along edges if it is permitted, with exploration of expanding the Planning Act's Section 37 "bonusing" provisions for community benefits to include mitigation benefitting the maintenance of employment functions;
- No net employment losses enabled by land use change;

- Sustained investment in infrastructure maintenance and Economic Development initiatives (e.g., TIEG's) to maintain competitiveness/ attractiveness for office uses, particularly with planned Eglinton and Sheppard transit extensions.

Recommendations:

1. Consider a new business park-specific designation that would permit conversions of parcels fronting higher order transit-served arterial edges to mixed use residential development with minimum office and street-oriented retail components;
2. Create policy with supporting review and decision processes committing to a less than three year development cycle for all office development;
3. Consider policy expressly lodging responsibility for costs for mitigating impacts of new non-industrial uses on existing uses with the redeveloper;
4. Consider the study of economic development stimulus/incentive programs (e.g., reduced parking standards, increased densities, bonusing, shorter approvals cycles, TEIG's) to enhance their attractiveness for office development when no conversion to residential is being proposed.

5.4.5 Industrial lands policy must continue to protect core areas

Key Considerations

Toronto's Employment Districts – "Industrial" generate 36% of the city's wealth and 23% of its employment. With Employment Areas (see below) they are the City's only home to activities offensive to sensitive (residential etc.) uses. Their scale creates the land mass and core area sufficient to provide a range of opportunities for existing and potential new industrial uses to operate with certainty that their activity will not impinge on residential areas or other sensitive uses. Certainty of a secure future in the location is a key consideration in investment/re-investment decisions and is an important signal conveyed by both the planning policy framework and the decisions that implement it (see Case Studies 2 and 3 in Appendix 2). Core lands must continue to have certainty about being protected from the risk of conflict with sensitive uses. Retail and service uses have become large contributors to total employment, generating 25% of jobs in these Districts.

These areas are important providers of less expensive space to new firms, and to other less "industrial" contributors to the City's economic vitality (e.g., software development, arts organizations, suppliers to the film industry). Low vacancy rates indicate their continued attractiveness. Given resolution of tax rate imbalances, and increasing congestion in the 905, they may become more competitive with greenfields locations getting ever further away from the centre of the GTA, though not for large scale logistics operations. Existing permissions for retail uses on selected edge arterials implies competition for a land base with relatively little vacancy and no opportunities for further expansion. This reinforces the need to protect core areas to 2031 and beyond.

Employment growth will arise from a combination of economically driven growth and take-up of retail and service and related permissions. As described in Case Study 3 in Appendix 2, recognition and protection of the employment, economic and social equity-supporting functions of industrial lands is a strategic imperative pursued by cities across North America as well as London, England and Sydney, Australia.

Many of the city's Employment Areas are arrayed along rail routes and major roads that may support new transit investment. It will be important to carefully consider how best to optimize transit and nodal development while preserving as much as possible of the affected industrial area's abilities to continue to generate wealth.

Desired Outcomes

- Preservation of the employment land base and its functionality;
- Sustained certainty about intended function, land use permissions and exclusions (i.e., residential and other sensitive uses);
- Flexible permissions to accommodate new employment uses of existing spaces;
- Protection of existing users from new cost or friction burdens arising from re-development;
- Sustained investment in infrastructure maintenance and Economic Development initiatives to maintain competitiveness/attractiveness;
- "Major retail" stores/centres continue to be restricted to arterial edge locations.

Recommendations:

1. Continue to preclude residential and other sensitive uses from locating in Employment Districts and Areas;
2. Restrict major retail and other non-industrial development permissions in Employment Districts and Areas to only the arterial edge locations to preserve core areas for industrial uses;

3. Consider policy expressly lodging responsibility for costs for mitigating impacts of new non-industrial uses on existing uses with the redeveloper;
4. Consider a special study program to define appropriate intensification areas within 500 m of major transit stations within or adjacent to Employment Districts and Areas.

5.4.6 Employment Areas have the same protection and mitigation requirements as Employment Districts

Key Considerations

The city's designated Employment Areas fulfill the same functions as the Districts, but have been interpreted to enjoy less protection from conversion pressures under the Growth Plan or PPS. They are generally smaller than most Districts, but certainly not all. There is no reason for this policy treatment to continue past this OP review.

While most Employment Areas are more quadrilateral in form, with edges and a core, some are distinctly linear. These have typically evolved in locations between major roads and rail lines. Their largely "edge" nature means they are more exposed to issues of compatibility with other uses and to pressures for transition to alternative uses. While employment growth prospects appear flat, or increasing as driven by population-serving employment, they nonetheless continue to play a valued role in supporting employment and the "metabolism" of the City.

Desired Outcomes

- Employment Areas enjoy the same shelter under Growth Plan and PPS conversion polices as the current Employment Districts, through e.g., creation of a new employment lands designation with no distinction on the basis of scale or function;
- Preservation of the employment land base and its functionality;
- Sustained certainty about intended function, land use permissions and exclusions (i.e., residential and other sensitive uses);
- Flexible permissions to accommodate new employment uses of existing spaces;
- Protection of existing employment uses from new cost or friction burdens arising from adjacent re-development (where permitted), with exploration of expanding the Planning Act's Section 37 "bonusing" provisions for community benefits to include mitigation benefitting the maintenance of employment functions.

Recommendations:

1. Remove any distinction between Employment Areas and Employment Districts in the updated OP, and treat all lands within the combined designation in the same manner as described above for Employment Districts.

5.4.7 Avenues and Mixed Use Areas Outside of Avenues need to accommodate continued intensification:

Key Considerations

Toronto's Avenues are intended to support intensification balanced with the protection of adjoining neighbourhoods. Mixed Use Areas outside the Avenues fulfill similar functions, but are not specifically targeted for further study and redevelopment over time. This study's growth forecasts make it clear that both areas will be subject of significant pressures to accommodate new residential and community-serving uses.

Avenues and Mixed Use Areas outside Avenues together support 20% of the City's employment, most of it population-serving. These areas are home to 45% of Toronto's retail jobs, and 31% of service jobs. Growth prospects are driven by population growth. Major intersection or transit nodes provide opportunities for intensification of both residential and population-serving employment growth.

Desired Outcomes

- Minimized barriers to desired development;
- Sustained supply of retail & service and institutional space commensurate with population and office employment growth;
- Higher intensity as-of-right permissions at major intersection and transit nodes as guided by Avenue and like area-specific studies.

Recommendations:

1. Implement the Avenue and Mid-Rise Buildings Study as adopted by Council through a development permit approval system or new as-of-right zoning to enable intensification without individual applications;
2. Provide higher intensity permissions at major intersections in both Avenues and Mixed Use Areas; and
3. Integrate planning for employment uses, mobility hubs, intensification corridors and new higher order transit routes where the latter occur on or intersect Avenues.

5.4.8 Institutional uses need to maintain their land base and be accommodated in mixed use areas

Key Considerations

Toronto's Institutional areas support a range of government office, academic and hospital uses. The latter two provide important cluster linkages and benefits to innovation and related wealth generation and employment growth. Growth prospects are largely driven by population growth and our aging demography, with some potential for growth related to innovation and commercialization of research products. Most growth will be accommodated by intensification on site vs. development on new properties - sites currently designated for major academic and hospital uses need to maintain their capacity to intensify.

The provision of health services to an aging population, is expected to generate very strong employment growth. New population-serving medical, seniors care and related uses will need to be accommodated in all designations that permit them.

Desired Outcomes

- Minimized barriers to desired development;
- Ongoing ability to accommodate/contribute to the commercialization of knowledge.

Recommendations:

1. Amend policy to more strongly recognize the ongoing need to maintain a land base for expansion (largely through intensification) for the city's major institutional uses and to discourage conversion to permanent non-institutional uses;
2. Identify as an important economic development requirement the retention in public ownership of all lands presently owned by the public sector adjacent to or in proximity to institutional lands to maintain their expansion/intensification potentials;
3. Consider seeking amendments to the provincial planning framework to ensure that major institutional areas are identifiable as "areas of employment", and deem them as such in OP policy; and
4. Amend policies to articulate the strong need for and encouragement of homes for the aged and nursing homes in all designations that permit them, at scales compatible with their built and planned context.

5.5 The Official Plan's current policy framework is compared to desired outcomes to specify recommended directions

With benefit of the preceding discussion, the study report concludes with a comparison between existing policy in the Official Plan, and desired outcomes. Gaps between the two, or related observations, are identified and recommendations to policy and designations offered. These are all recorded in the table following as Figure 5.1.

Figure 5.1: Recommended Modifications to Employment Policies and Designations

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
2.1 Building a more liveable region			
2.1, Policy 1: Toronto will work with neighbouring municipalities and the Province of Ontario to address mutual challenges and to develop a framework for dealing with growth across the GTA which: j) improves the competitive position of the Toronto regional economy internationally and creates and sustains well-paid, stable, safe and fulfilling employment opportunities for all individuals.	- Same	- OP and approvals decisions/consistency might benefit from framing referring to a competitive City-region with Toronto at its core, the need to maintain a healthy fiscal balance, match employment growth to population growth.	- Consider revisions to framing language.
2.1, Policy 3: Toronto should accommodate a minimum of 3 million residents and 1.835 million jobs by the year 2031.	- Adaptability to accommodate revised Schedule 3 forecasts upon amendment to the Growth Plan.	- Current OP figures are lower than the GP's 3.08 million people, higher than the GP's 1.64 million jobs; - Ministry of Finance and C4SE forecasts indicate higher population and employment growth potential	- Use study projections as basis for input to revised Schedule 3 figures for Toronto; amend OP to incorporate updated revised Schedule 3 forecasts.
2.2 Structuring Growth in the City: Integrating Land Use and Transportation			
2.2, Policy 1: This Plan will create a better urban environment, a competitive local economy and a more socially cohesive city by attracting more people and jobs to targeted growth areas in the City that are supported by good transit services and infrastructure.	- Same	- OP and approvals decisions/consistency might benefit from framing referring to maintaining existing Employment Areas providing jobs in proximity to otherwise less-advantaged neighbourhoods	- Consider revisions to framing language.
2.2, Policy 2: Growth will be directed to the Centres, Avenues, Employment Districts and the Downtown as shown on Map 2 in order to: b) concentrate jobs and people in areas well served by surface transit and rapid transit stations; d) promote mixed use development to increase opportunities for living close to work and to encourage walking and cycling for local trips; f) facilitate social interaction, public safety and cultural and economic activity;	- Same	- Centres and "Industrial" and "Business Park" Employment Districts are not proving successful in attracting employment growth.	- See recommendations re Centres, Employment Districts and Avenues/Mixed Use Areas below.
2.2.1 Downtown: The Heart of Toronto			
2.2.1, Policy 1: Downtown will continue to evolve as a healthy and attractive place to live and work as new development that supports the reurbanization strategy and the goals for Downtown is attracted to the area. In particular, the Downtown policies of this Plan will shape the City's future by accommodating development that: a) builds on the strength of Downtown as the premier employment centre in the GTA; b) provides a full range of housing opportunities for Downtown workers and reduces the demand for in-bound commuting; and c) focuses on the Financial District as the prime location for the development of prestige commercial office buildings and landmark buildings that shape the skyline.	- Sustained opportunities for tower and mid-smaller scale office space, and a retail hierarchy serving all daytime, resident and tourist shopping and service needs; - Preservation of land base for office space at all scales; - No net employment losses enabled by land use change; - Approvals timelines enabling developers to commit built office space within 3 years.	- Current market pressures for high rise condo development are constraining opportunities for office development; - Residential boom is generating a commensurate need for new, near, jobs growth so as not to generate outbound commuting or congestion. - Need to preserve opportunities for a full range of retail and service commercial space to serve the growing residential and office population, as well as tourists and visitors to the downtown. - Planning for new transit routes will influence the geography of the office market – the two need to be considered in concert with one-another and with economic development strategy.	- Add new policy providing that no net loss in office employment space be permitted through re-development; - Consider a minimum jobs space component for all development on parcels greater than a specified minimum threshold; - Encourage a retail/service component supporting active streets wherever feasible in all new development; - Consider reduced parking standards for office development along existing or new transit routes; - Create policy (and supporting review and decision processes) enabling and committing to a less than 3-year turn-around for mid-scale office development; - Define office capacity targets in concert with transit and economic development planning, with consideration of other target areas for office development.

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
2.2.1, Policy 2: Investment in the Downtown environment on the part of the City, other levels of government and public/private partnerships will be sought to: b) promote an environment of creativity and innovation for arts and culture; c) support and enhance the specialty retail and entertainment districts found Downtown as important regional and tourist destinations; d) maintain a high-quality business infrastructure Downtown including a stable and secure hydro-electric grid, communications networks and district heating and cooling distribution systems; and e) create and advance research and business development alliances among the health, education and biotechnology biomedical sectors Downtown.	- Same	- Retail can still be a difficult component in some instances; - Retail and residential developers are exploring new models for delivery of viable retail space in mixed use buildings/settings.	- As above - Encourage a retail/service component supporting active streets wherever feasible in all new development.
2.2.2 Centres: Vital Mixed Use Communities			
2.2.2, Policy 2: Each Centre will have a Secondary Plan that will: b) establish policies for managing change and creating vibrant transit-based mixed use Centres tailored to the individual circumstances of each location, taking into account the Centre's relationship to Downtown and the rest of the City; c) create a positive climate for economic growth and commercial office development;	- Same - Renewed market interest as office locations, recognizing current disinterest; - No net employment losses enabled by land use change; - Approvals timelines enabling developers to commit built office space within 3 years; - Opportunities for retail and service commercial development in mixed use forms.	- Policy is silent regarding the Growth Plan requirement for designated Urban Growth Centres (all of Toronto's Centres) to achieve minimum densities of 400 residents and jobs combined per hectare; - Centres are not proving successful in attracting employment growth; - Current market pressures for high rise condo development are constraining opportunities for office development; - Opportunities for retail and service in mixed use developments	- Add new policy providing that no net loss in office employment space be permitted through re-development; - Consider a minimum jobs space component for all development on parcels greater than a specified minimum threshold; - Encourage a retail/service component supporting active streets wherever feasible in all new development; - Create policy (and supporting review and decision processes) enabling and committing to a less than 3-year turn around for mid-scale office development; - Consider Economic Development initiatives (e.g., TIEG's) to maintain competitiveness/ attractiveness for office uses.
2.2.3 Avenues: Reurbanizing Arterial Corridors			
2.2.3, Policy 3: Reurbanizing the Avenues will be achieved through the preparation of Avenue Studies for strategic mixed use segments of the corridors shown on Map 2.	- Same - Continued capacity to accommodate new residential and population serving retail, service, institutional and office space commensurate with population growth; - Minimized barriers to desired development.	- Employment growth projections show particularly strong growth for homes for the aged and related services for an aging population; - Neighbourhood opposition is often the biggest barrier to intensification.	- Implement the Avenue and Mid-Rise Buildings Study through a development permit approval system or as-of-right zoning; - Encourage homes for the aged and nursing homes in the Avenues and all other designations permitting them, at appropriate scales; - Higher intensity as-of-right permissions at transit nodes.

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
2.2.4 Employment Districts: Supporting Business and Employment Growth			
2.2.4, Policy 1: Employment Districts shown on map 2 will be protected and promoted exclusively for economic activity in order to: a) maintain and grow the City's tax base; b) attract new and expand existing employment clusters that are key to Toronto's competitive edge; c) develop quality Employment Districts that are globally competitive locations for national and international; business and offer a wide choice of sites for new business d) nurture Toronto's diverse economic base; e) provide a good overall balance between population and employment growth by creating job opportunities for Toronto residents; f) provide a range of employment opportunities for Toronto residents that can be reached by means other than private automobile; and g) create and sustain well-paid, stable, safe and fulfilling employment opportunities for all Torontonians.	- Same - Preservation of employment land base; - Sustained certainty about intended function and land use permissions; - Flexible zoning permissions to accommodate new employment uses of existing space; - Protection of existing users from new cost or friction burdens arising from re-development of e.g., retail and other permitted uses on edges; - Sustained investment in infrastructure maintenance and Economic Development initiatives to maintain competitiveness/ attractiveness; - No net employment losses enabled by land use change. For Business Parks: - Renewed market interest as office locations, recognizing current disinterest; - Preservation of employment land base balanced with opportunities for vitalization along arterial edges; - Sustained certainty about intended function and land use permissions for interiors; - Flexible permissions to accommodate new employment uses of existing space; - Protection of existing employment uses from new cost or friction burdens arising from re-development; - Approvals timelines enabling developers to commit built office space within 3-years; - Sustained investment in infrastructure maintenance and Economic Development initiatives (e.g., TIEG's/TIF's) to maintain competitiveness/ attractiveness for office uses, - No net employment losses enabled by land use change.	- Added wording may strengthen interpretation of objectives /tests for Employment Districts; - Policy currently does not distinguish between office-oriented business parks and industrial employment districts; - Business Park districts are not proving successful in attracting new office employment growth; - Current market pressures for high rise condo development offer the potential to leverage amenitization and new office space at edges of Business Parks, particularly with planned Eglinton and Sheppard transit extensions. - - Planning for new transit routes may affect adjacent employment areas. Potential impacts will need to be optimized in concert with economic development strategy.	- Differentiate between Industrial and business park Employment Districts, eliminate the distinction between Employment Districts and Employment Areas; (see also recommendations re Employment Areas at Policy 4.6.6); - Otherwise demonstrate clear commitment to maintaining strong Employment Districts/Areas for industrial and related functions, with a continued exclusion of residential uses; - Ensure flexibility to accommodate new employment uses of existing space; - Continue to restrict "major retail" stores/centres to arterial edge locations; develop definitions of common terms and a (dis)qualifying size threshold. For Business Parks: - Consider a Business Park-specific designation that would enable conversions of transit-served arterial edge sites for residential with minimum office space components + street animation, no net job loss provisions; - Create policy (and supporting review and decision processes) enabling and committing to a less than 3-year turn around for all office development; - Consider policy expressly lodging responsibility for costs for mitigating impacts of new non-industrial uses on existing uses with the redeveloper, perhaps through revised Section 37 policies identifying preserved employment functions as community benefits. - Consider Economic Development initiatives (e.g., TIEG's) to maintain competitiveness/ attractiveness for office uses.

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
2.2.4, Policy 2: Employment Districts will be enhanced to ensure they are attractive and function well, through actions such as: a) permitting a broad array of economic activity that encourages existing businesses to branch out into new areas of activity and facilitates firms with functional linkages to locate in close proximity to one another; b) investing in key infrastructure, or facilitating investment through special tools, programs or partnerships, in order to: i) revitalize Employment Districts which may be experiencing decline because of vacancies and closures, absence of key physical infrastructure, poor accessibility, or poor environmental conditions; ii) facilitate the development of vacant lands; and iii) promote the distinctive character or specialized function of a District to attract firms within a particular targeted cluster of economic activity; iii) facilitate the development of vacant lands; and iv) create comfortable streets, parks and open spaces for workers and landscaped streetscapes to attract new business ventures; and c) encouraging and supporting business associations that promote and provide a business voice for the District.	- Same	- n/a	- n/a
2.2.4, Policy 3: Transit use will be encouraged in Employment Districts through investing in improved levels of service, by encouraging new economic development to take place in a form and density that supports transit and by encouraging travel demand management measures.	- Same	- n/a	- n/a
2.2.4, Policy 4: Measures will be introduced and standards applied on roads within Employment Districts that give priority to the movement of transit vehicles and trucks.	- Same	- n/a	- n/a
2.2.4, Policy 5: Walking and cycling will be encouraged by creating safer and more attractive conditions in Employment Districts.	- Same	- n/a	- n/a
2.2.4, Policy 6: Development adjacent to nearby Employment Districts will be appropriately designed, buffered and/or separated from industries as necessary to mitigate adverse effects from noise, vibration, traffic, odour and other contaminants, and to promote safety and security.	- Adjustment/mitigation costs should be borne by redeveloper.	- n/a	- Consider policy expressly lodging responsibility for costs for mitigating impacts of new non-industrial uses on existing uses with the redeveloper through Section 37 "bonusing" provisions if bonusing is occurring.

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
3.5.3 The Future of Retailing			
3.5.3, Policy 1: A strong and diverse retail sector will be promoted by: a) permitting a broad range of shopping opportunities for local residents and employees in a variety of settings; and b) supporting specialty retailing opportunities that attract tourists and residents of the broader urban region.	- Same	- n/a	- n/a
3.5.3, Policy 2: Traditional retail shopping streets will be improved as centres of community activity by: a) encouraging quality development of a type, density and form that is compatible with the character of the area and with adjacent uses; b) improving public amenities such as transit and parking facilities, street furniture and landscaping; and c) encouraging and supporting effective business associations in these areas.	Same	n/a	n/a
3.5.3, Policy 3: Retail development along the Avenues is encouraged and will suit the local context of built form and support the establishment of a high quality pedestrian environment.	Same	n/a	n/a
3.5.3, Policy 4: In order to provide local opportunities for small businesses and maintain the safety, comfort and amenity of shopping areas, zoning regulations for ground floor commercial retail uses in new buildings in new neighbourhoods or in Mixed Use Areas along pedestrian shopping strips where most storefronts are located at the streetline, may provide for a maximum store or commercial unit size based on the following considerations: a) the prevailing sizes of existing stores and commercial units in the area; b) other indicators of opportunities for small business, such as vacancies in existing stores and commercial units; c) the provision of a range of store and commercial unit sizes to meet the range of local needs including day-to-day convenience shopping and other household goods and services; d) the potential impact of large vacant stores and commercial units at the ground floor level on the safety and comfort of the strip for pedestrians, e) the need for 'eyes on the street'; f) the rhythm and slow of storefronts on the strip; and g) the potential for the building design, particularly the street façade, to address the safety, comfort and amenity of the shopping area. In commercial heritage conservation districts where the prevailing floorplate size is an important feature of the district's heritage character, the zoning regulations for ground floor commercial retail uses in new buildings must provide a	Same	- Few large stores along Avenues and Mixed Use areas - Larger stores act as important anchors and draws	n/a

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
maximum store or commercial unit size based on the foregoing considerations, and consistent with the heritage conservation district plan.			
4.1 Neighbourhoods			
4.1, Policy 3: Small-scale retail, service and office uses are permitted on properties in Neighbourhoods that legally contained such uses prior to the approval date of this Official Plan. New small-scale retail, service and office uses that are incidental to and support Neighbourhoods and that are compatible with the area and do not adversely impact adjacent residences may be permitted through an amendment to the Zoning By-law, where required, on major streets shown on Map 3, with the exception of portions of streets which have reversed lot frontages. To maintain the residential amenity of Neighbourhoods, new small-scale retail, service and office uses will: a) serve the needs of area residents and potentially reduce local automobile trips; b) have minimal noise, parking or other adverse impacts upon adjacent or nearby residents; and c) have a physical form that is compatible with and integrated into the Neighbourhood.	Same	- Employment growth projections show particularly strong growth for homes for the aged and related services for an aging population.	- Encourage homes for the aged and nursing homes in Neighbourhoods and all other designations permitting them, at appropriate scales.
4.5 Mixed Use Areas			
4.5, Policy 1: Mixed Use Areas are made up of a broad range of commercial, residential and institutional uses, in single use or mixed use buildings, as well as parks and open spaces and utilities.	- Same	- n/a	- n/a
4.5, Policy 2: In Mixed Use Areas, development will: a) create a balance of high quality commercial, residential, institutional and open space uses that reduces automobile dependency and meets the needs of the local community; b) provide for new jobs and homes for Toronto's growing population on underutilized lands in the Downtown, the Central Waterfront, Centres, Avenues, and other lands designated Mixed Use Areas, creating and sustaining well-paid, stable, safe and fulfilling employment opportunities for all Torontonians;	- Continued capacity to accommodate new residential and population serving retail, service, institutional and office space commensurate with population growth; - Minimized barriers to new development; - Higher intensity as of right permissions at transit nodes.	- Employment growth projections show particularly strong growth for homes for the aged and related services for an aging population; - Neighbourhood opposition is often the biggest barrier to intensification.	- Encourage homes for the aged and nursing homes in Mixed Use Areas and all other designations permitting them, at appropriate scales; - Higher intensity as-of-right permissions at transit nodes.

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
4.5, Policy 3 (as proposed through OPA 94, which is under appeal to the OMB and adjourned pending the Official Plan Review): When retail commercial uses in Mixed Use Areas are redeveloped, the following considerations will be used either to determine the amount of retail commercial space that must be provided in the new development in order to alleviate the impact of the loss of the retail commercial space on the local neighbourhood, or to justify not retaining or replacing any of the existing space: a) the availability of other stores to meet the convenience needs of residents of the local neighbourhood, particularly supermarkets, grocery stores and drug stores; b) the desirability of retaining options for walking and other alternatives to the private automobile; c) other opportunities for retail commercial development in Mixed Use Areas to meet the convenience needs of residents of the local neighbourhood, particularly opportunities on nearby Avenues; d) the role of the shopping area being considered for demolition as a meeting place and focal point for the local neighbourhood; e) the importance of providing continuous ground floor retail commercial space for the amenity and attractiveness of pedestrian shopping strips. To allow for flexibility in future occupancy of the redeveloped site, the zoning should permit ground floor space to be occupied by retail commercial uses and grade related space should be designed so that it could be occupied by either residential or retail commercial uses."	- As targeted by proposed policy.	- n/a	- n/a
4.5, Policy 4: Large scale, stand-alone retail stores and/or "power centres" are not permitted in Mixed Use Areas within the Central Waterfront, and Downtown, and are permitted only through a zoning by-law amendment in other Mixed Use Areas. Where permitted new large scale, stand-alone retail stores and/or "power centres" will ensure that: a) sufficient transportation capacity is available to accommodate the additional traffic generated by the development, resulting in an acceptable volume of traffic on adjacent and nearby streets; and b) the function and amenity of the area for businesses and residents and the economic health of nearby shopping districts are not adversely affected.	- Clear policy permissions; - Continued supply of retail and service space as required to fulfill needs of a growing population.	- Retail related policy would benefit from definitions of common terms; - Restrictions on location of the noted scale/forms in the Downtown and Central Waterfront means the goods/services typically provided at such centres will need to be made available in alternative retail forms, likely as integrated in new residential or office development.	- Develop definitions of common terms; - Encourage a retail/service component supporting active streets wherever feasible in all new development.
4.5, Policy 5: Existing large scale, stand-alone retail stores and/or "power centres" legally established prior to the approval date of this Official Plan in Mixed Use Areas are permitted.	- Same	- n/a	- n/a

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
4.6 Employment Areas			
4.6, Policy 1: Employment Areas are places of business and economic activity. Uses that support this function consist of: offices, manufacturing, warehousing, distribution, research and development facilities, utilities, media facilities, parks, hotels, retail outlets ancillary to the preceding uses, and restaurants and small scale stores and services that serve area businesses and workers.	- Same - Preservation of employment land base; - Certainty about intended function and land use permissions; - Flexible permissions to accommodate new employment uses of old spaces; - Protection of existing employment uses from new cost or friction burdens arising from adjacent/local re-development; - Sustained investment in infrastructure maintenance and Economic Development initiatives to maintain competitiveness/ attractiveness.	- Linear employment areas located along rail lines and major streets (e.g., the rail lines paralleling Lansdowne and Danforth Avenues, Dupont Street) are exposed to higher pressures for transition to alternative uses; - Planning for new transit routes may affect adjacent employment areas. Potential impacts will need to be optimized in concert with economic development strategy.	- Modify Employment Districts/Areas designation & definition to remove distinction between the two; - Consider policy expressly lodging responsibility for costs for mitigating impacts of new non-industrial uses on existing uses with the redeveloper, perhaps through revised Section 37 policies identifying preserved employment functions as community benefits.
4.6, Policy 2: Within Employment Areas, places of worship, recreation and entertainment facilities, business and trade schools and branches of community colleges or universities may locate only on major streets as shown on Map 3. All existing places of worship, recreation and entertainment facilities, business and trade schools and branches of community colleges and universities legally established before the approval date of this Official Plan within Employment Areas are permitted.	- Same	- n/a	- n/a
4.6, Policy 3: Large scale, stand-alone retail stores and "power centres" are not permitted in Employment Areas in the Central Waterfront and are only permitted in other Employment Areas fronting onto major streets as shown on Map 3, that also form the boundary of the Employment Areas through the enactment of a zoning by-law. Where permitted, new large scale, stand-alone retail stores and "power centres" will ensure that: a) sufficient transportation capacity is available to accommodate the extra traffic generated by the development, resulting in an acceptable level of traffic on adjacent and nearby streets; and b) the functioning of other economic activities within the Employment Areas and the economic health of nearby shopping districts are not adversely affected.	- Clarify policy permissions	- Retail related policy would benefit from definitions of common terms.	- Consider as-of-right permissions for retail and related uses along Employment District/ Area arterial frontages that largely support retail uses today – e.g., the Queensway in the South Etobicoke Employment District, Kennedy Road in West Central Scarborough. - Develop definitions of common terms
4.6, Policy 4: (Targeted for repeal/deletion through the OP Review) Consideration may also be given to permit large-scale and stand-alone retail stores in locations on major streets, as shown on map 3, that do not form the boundary of Employment Areas, other than in the Central Waterfront, only by way of an Official Plan Amendment, if it can be demonstrated, among other matters, that: a) such development will not undermine the stability of the Employment Area and will have particular regard for the			

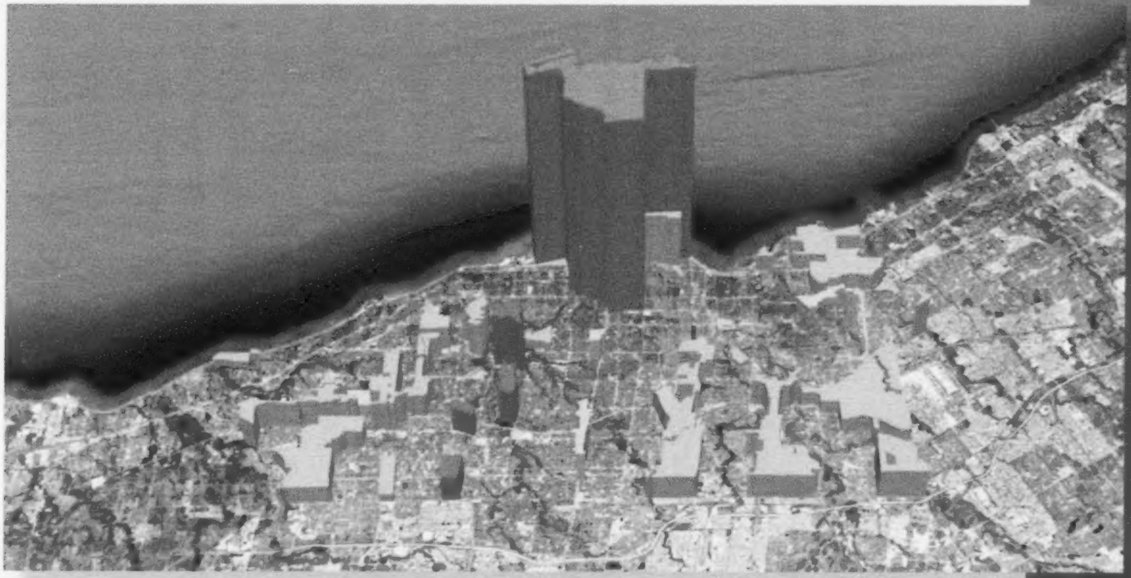
Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
viability of industrial uses; b) sufficient transportation capacity is available to accommodate the extra traffic generated by the development, resulting in an acceptable level of traffic on adjacent and nearby streets; and c) the economic health of nearby shopping districts is not adversely affected.			
4.6, Policy 5: Large scale, stand-alone retail stores and "power centres" legally established prior to the approval date of this Official Plan within Employment Areas are permitted.	- Same	- n/a	- n/a
4.6, Policy 6: Development will contribute to the creation of competitive, attractive, highly functional Employment Areas by: a) supporting the economic function of the Employment Areas and the amenity of adjacent areas; b) encouraging the establishment of key clusters of economic activity with significant value-added employment and assessment; c) avoiding excessive car and truck traffic on the road system with Employment Areas and adjacent areas; d) providing adequate parking and loading on-site; e) sharing driveways and parking areas wherever possible; f) mitigating the effects of noise, vibration, dust, odours or particulate matter that will be detrimental to other businesses or the amenity of neighbouring areas; g) providing landscaping on the front and any flanking yard and adjacent to any public parks and open space to create an attractive streetscape and screening parking, loading and service areas; h) treating the boundary between Employment Areas and residential lands with landscaping, fencing, or other measures to minimize nuisance impacts, and i) ensuring that outside storage and outside processing is: i) limited in extent; ii) generally located at the rear of the property; iii) well screened by fencing and landscaping where viewed from adjacent streets, highways, parks and neighbouring land uses; and iv) not detrimental to neighbouring land uses in terms of dust, noise and odours.	- See above under Policy 4.6.1.	- See above under Policy 4.6.1.	- See above under Policy 4.6.1.

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
4.6, Policy 7: Where the Zoning By-law permits outside storage or outside processing of goods and materials as the primary use on a property in Employment Areas, the outside storage or processing will: a) be well-screened by fencing and landscaping where viewed from adjacent streets, highways, parks and neighbouring land uses; and b) not be detrimental to neighbouring land uses in terms of dust, noise and odours.	- Same	- n/a	- n/a
4.7 Regeneration Areas			
4.7, Policy 2: For each Regeneration Area a framework for new development will be set out in a Secondary Plan. Development should not proceed prior to approval of a Secondary Plan. The Secondary Plan will guide the revitalization of the area through matters such as: f) environmental policies to identify and ensure that any necessary cleanup of lands and buildings is achieved, that potential conflicts between industrial and residential, other sensitive land uses or live/work uses are mitigated, and that policies for the staging or phasing of development are considered, where necessary.	- Same	- n/a	- n/a.
4.7, Policy 3: Large scale, stand-alone retail stores and "power centres" are not permitted in Regeneration Areas.	- Same	- Restrictions on location of the noted scale/forms in Regeneration Areas means the goods/services typically provided at such centres will need to be made available in alternative retail forms, likely as integrated in new residential or office development.	- Encourage a retail/service component supporting active streets wherever feasible in all new development.
4.7, Policy 4: Existing large scale, stand-alone retail stores and "power centres" legally established prior to the approval date of this Official Plan in Regeneration Areas are permitted uses.	- Same	- n/a	- n/a
4.8 Institutional Areas			
4.8, Policy 1: Institutional Areas are made up of major educational, health and governmental uses with their ancillary uses, cultural, parks, and recreational, religious, commercial and institutional residence facilities, including the full range of housing associated with a health institution, as well as utility uses. Out major health and educational institutions are important employers and service providers and will continue to grow to serve the needs of an increasing city and regional population.	- Sustained ability to intensify on current sites	- Land sales for alternative uses limits future growth/intensification potential.	- Strengthen language to promote retention of existing land base and to discourage conversion to non-institutional or related commercial uses; - Consider seeking amendments to the PPS through its five-year review to have institutional areas identified as areas of employment, and deem them so in the City's OP.
4.8, Policy 2: Strong linkages between major institutions and the private	- As above.	- As above.	- n/a

Existing Policy	Desired Outcomes	Gaps/Observations	Recommended Modifications to Policy and Designations
sector for joint research, innovation and the creation of new products and services will be encouraged by: a) permitting firms engaged in a joint venture with a major institution, research and development facilities and professional offices affiliated with, or in combination with major institutions, to locate in Institutional Areas; and b) promoting the creation of "science parks" or campuses within or in the vicinity of Institutional Areas, outside of established Neighbourhoods.			

This page is intentionally blank.

Sustainable Competitive Advantage and Prosperity – Planning for Employment Uses in the City of Toronto



APPENDICES 1 TO 3

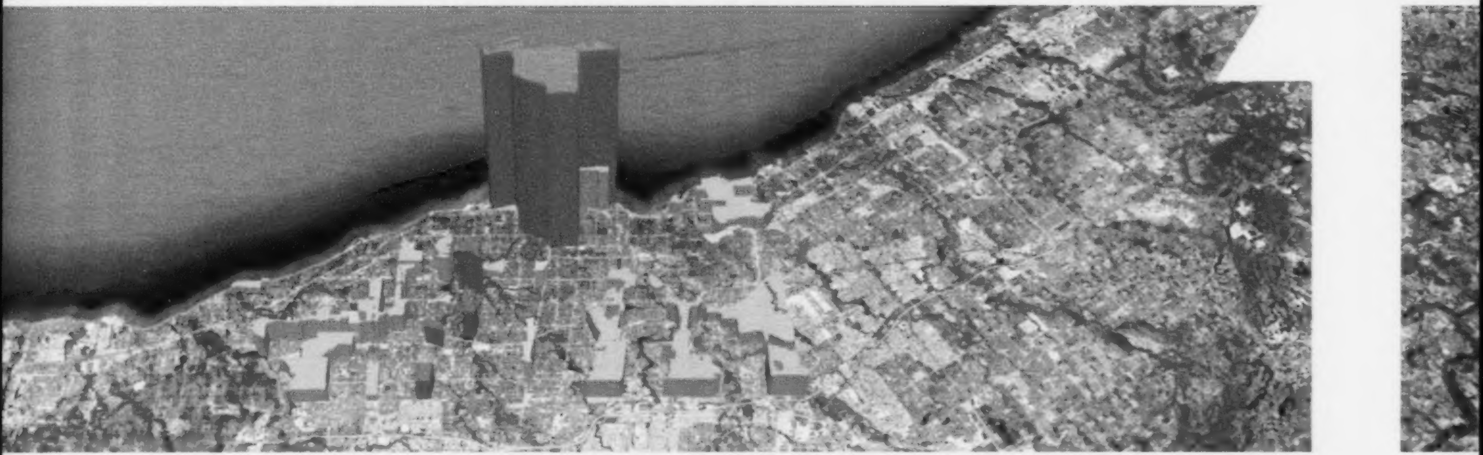
Prepared By:

MALONE GIVEN PARSONS LTD.

In Association With:

Cushman & Wakefield
Real Estate Search Corporation
The Centre for Spatial Economics

October 2012



APPENDIX 1:
POPULATION AND EMPLOYMENT FORECASTS 2011-2041

TABLE OF CONTENTS

1.0 INTRODUCTION

2.0 FOUNDATIONS – EMPLOYMENT TRENDS IN THE GTA AND TORONTO

2.1 Historical Trends in Output and Employment in Ontario
2.2 Recent Trends in Employment in the GTA and in the Rest of Ontario
2.3 Industries that Drive the GTA's Prosperity and Industries that Service its Residents
2.4 The Location of Export Based Jobs within the GTA
2.5 Trends in the Location of Jobs within the GTA on an Industry-by-Industry Basis
2.6 Trends in GTA Wide Export Based Jobs
2.7 Trends in GTA Wide Community Based Jobs

3.0 EMPLOYMENT FORECASTS TO 2031 AND 2041

3.1 Projected Employment in Export and Community Based Industries for the GTA
3.2 Projected Trends in GTA Output and Employment by Industry
3.3 Potential GTA and City of Toronto Employment by Industry

4.0 OFFICE EMPLOYMENT IN THE GTA AND THE CITY OF TORONTO

1.0 INTRODUCTION

This Appendix provides the details underlying the population and employment projections summarized in Section 4.0 of the *Planning for Employment Uses in the City of Toronto* report. It provides a profile of the economy of the Greater Toronto Area (GTA) with particular emphasis on the City of Toronto before turning to the projections themselves.

The profile considers the following topics:

- Historical trends in output and employment in Ontario;
- Recent trends in employment in the GTA and in the rest of Ontario;
- Industries that drive the GTA's prosperity and industries that service its residents; and
- Trends in the location of jobs within the GTA on an industry-by-industry basis.

The projections are developed from a base case analysis, with Low and High population and employment outcomes aligned with the Growth Plan's Schedule 3 forecasts for the Greater Golden Horseshoe (the Low alternative) and with the Ministry of Finance's June 2012 population forecasts for Toronto and the rest of the province (the High alternative). Each is to the 2041 horizon. The projections address:

- Projected employment for export and community based industries for the GTA;
- Projected trends in GTA output and employment by industry;
- Potential GTA and City of Toronto employment by industry;
- Office employment in the GTA and the City of Toronto.

They provide the foundation for the employment space and land needs estimates addressed in the main report's Section 4.0 and the land use policy recommendations that follow.

It should be noted that growth projections or forecasts are based on a number of assumptions that may or may not be realized – the numbers they generate are inherently uncertain. The results are nonetheless considered a reasonable and defensible basis for planning to meet future employment needs.

This Page Left Intentionally Blank

2.0 FOUNDATIONS – EMPLOYMENT TRENDS IN THE GTA AND TORONTO

2.1 Historical Trends in Output and Employment in Ontario

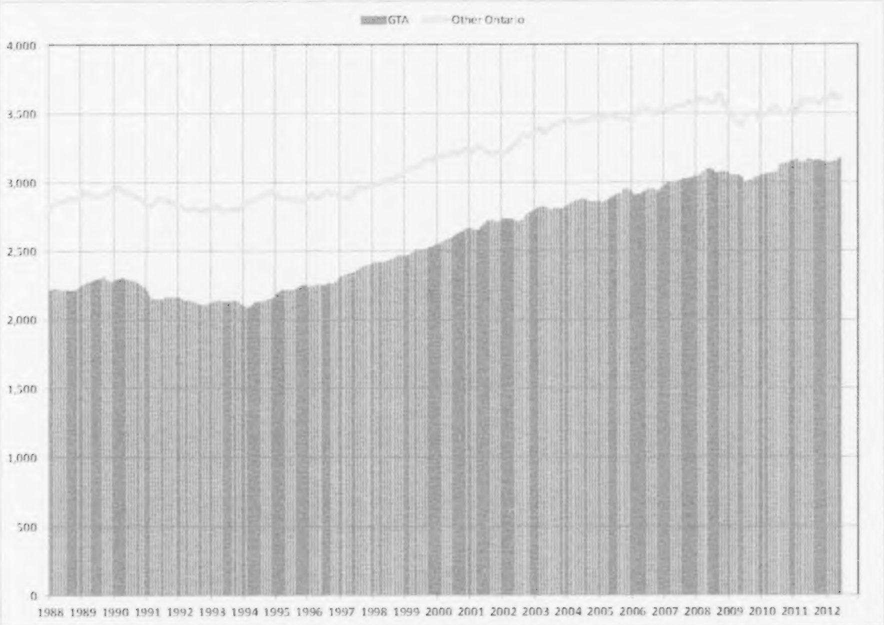
From 1987 through to 2011 real Gross Domestic Product (GDP) in Ontario grew at an average annual rate of 2.3 percent in real terms. Over that same period real GDP in the Greater Toronto Area (GTA) grew at an estimated average annual rate of 2.6 percent. As a result of the GTA's slightly faster pace of growth its share of provincial production grew from 46.8 percent in 1987 to 53.1 percent in 2011. Over the same period total employment in Ontario grew at an average annual rate of 1.3 percent while the rate for the GTA averaged 1.6 percent. The GTA's employment share within Ontario grew from a 44.2 percent in 1987 to 47.2 percent in 2011. Due to the relatively strong job generating capacity of the GTA its population over that period grew from 41.8 percent of Ontario as a whole to 47.3 percent.

The GTA's job generating strength attracts job seekers and their dependents from other parts of Ontario, Canada and the world and is the main driver of the area's overall population growth.

2.2 Recent Trends in Employment in the GTA and in the Rest of Ontario

Monthly seasonally adjusted data covering the period from January 1996 through to June 2012 show that the recent recession hit the rest of Ontario in terms of job losses much more than it hit the GTA (Figure 1). Since the end of 2010 employment in the GTA has been holding firm at a level almost 2 percent higher than its pre-recession peak level of May 2008. In contrast employment in the rest of Ontario, though gradually recovering, nevertheless has only just recently recovered to its pre-recession peak level.

Figure 1: Employment in the GTA and the Rest of Ontario January 1988 to June 2012 (Monthly Data, Seasonally Adjusted, Thousands of Persons)



Source: Statistics Canada's Labour Force Survey (Note GTA = Toronto CMA + Oshawa CMA)

2.3 Industries that Drive the GTA's Prosperity and Industries that Service its Residents

The GTA's growth strength within the province in terms of production, employment and population reflects the fact that its economy is the most diversified in Canada. When one of the area's economic driver industries is in a cyclical downturn other less cyclically sensitive economic driver industries are there to take up the slack. Using location quotients (which compare the number of jobs by industry per capita for the GTA to other metropolitan areas across the country) based on 2006 Census data we have decomposed the 2.7 million jobs located in the GTA in 2006 into those that were export based – those driving the prosperity of the area through the production of goods and services mostly consumed by people and businesses based outside of the GTA (in other parts of Ontario, Canada and the world) – and those that were community based – those primarily serving the needs of the local population.

In this procedure we calculate the number of jobs on a place-of-work basis in each of 49 metropolitan regions across Canada for each of 35 industries on a per capita basis, 17 of which represent individual manufacturing sectors. We attribute all jobs in the primary (agriculture, forestry, mining, etc.) and manufacturing sectors in each region to the economic-base of the region since most of the products produced in these industries are destined for markets outside the region. We compare the per capita job levels across all of the remaining industries, most of which are services, and attribute all jobs above the norm in the GTA to be economic-base jobs, too, since, because they are above the norm, they must represent jobs providing services to people not normally residing in the GTA (that is, they represent exportable services).

When economic-base service jobs crop up in the retail, food-accommodation, and arts-entertainment-recreation sectors it is a sign that tourism forms part of that region's economic-base (such as occurs in Niagara in Ontario). The fact that the export base shares are very high of all the GTA's jobs in information (40 percent), finance and insurance (36 percent) and professional services (26 percent) means the number of jobs per capita in these industries in the GTA is way above the norm.

Figure 2 shows that for the GTA as a whole at least some export based jobs exist in 18 of the 19 industries we monitor. Most other metropolitan areas across Canada support export based jobs in just 5 or 6 industries.

Some 28 percent of all the jobs located in the GTA (758,600 out of 2.7 million in total) provide exported goods and services. By definition it is assumed that all jobs in the primary (agriculture, mining) and the manufacturing sectors are export oriented. Our location quotient assessment indicates that high shares of all the jobs in a number of service industries are also export oriented, most notably in information and culture (40 percent are export oriented), finance and insurance (36 percent), wholesale trade (28 percent), professional services (26 percent), transportation and warehousing (21 percent) and other business services (14 percent) (see Figure 2).

Figure 2 shows that on a GTA-wide basis the largest provider of export based jobs is manufacturing (395,400, or 52.1 percent of all GTA export based jobs), followed by finance and insurance (96,300, 12.7 percent), professional services (66,800, 8.9 percent), wholesale trade (48,800, 6.4 percent) and information and culture (39,200, 5.2 percent). These four sectors together account for 85.3 percent of the GTA's total export based jobs.

Figure 2: Total Employment in the GTA by Place-of-Work in 2006
Export Based and Community Based Employment

	Export Based	Community Based	Total	Export Based Share (%)
Total Employment	758,600	1,915,400	2,674,000	28
Agriculture, Fishing	10,000	0	10,000	100
Forestry, Logging	300	0	300	100
Mining	4,900	0	4,900	100
Manufacturing	395,400	0	395,400	100
Utilities	2,400	19,000	21,400	11
Construction	4,800	72,300	77,100	6
Wholesale Trade	48,800	124,100	172,900	28
Retail Trade	400	297,300	297,700	0
Transportation, Warehousing	26,000	95,500	121,500	21
Information, Culture	39,200	59,500	98,700	40
Finance, Insurance	96,300	172,200	268,500	36
Professional Services	66,800	190,600	257,400	26
Other Business Services	16,400	101,200	117,600	14
Education	13,000	157,800	170,800	8
Health, Social Assistance	20,800	209,900	230,700	9
Arts, Entertainment, Recreation	1,900	47,500	49,400	4
Food and accommodation	600	150,000	150,600	0
Other Services	10,600	114,000	124,600	9
Public Administration	0	104,500	104,500	0

Source: Statistics Canada's 2006 Census, Decomposition by C4SE-SPI-C4SE

2.4 The Location of Export Based Jobs within the GTA

Figure 3 shows the location of export based jobs in the GTA in 2006. The City of Toronto accounted for 54 percent of all the GTA's export based jobs while the area's four suburban regions collectively accounted for the remaining 46 percent. On a major industry basis:

- The City of Toronto accounted for 100 percent of the GTA's export based jobs in finance, insurance and real estate; education and health; and tourism (combining information and culture; arts, entertainment and recreation; and accommodation and food);
- It accounted for 96 percent of the GTA's export based jobs in professional and other business services, 36 percent of its jobs in manufacturing, 26 percent of its jobs in the primary industries, and 58 percent of its export based jobs in all other industries (construction, utilities, retail and other personal services);

- The rest of the GTA accounted for 100 percent of the GTA's export based jobs in logistics (wholesale trade; and transportation and warehousing).

In other words the City accounts for the lion's share of the GTA's export based jobs in most goods and exportable services sectors except manufacturing and logistics.

Figure 3: Total Employment in the GTA by Place-of-Work in 2006 by Major Industry Export Based Employment in Toronto and the Rest of the GTA

	GTA Total	Toronto	Other GTA	Toronto's Share (%)
Total Economic Base Jobs	758,600	408,300	350,300	54
Primary	15,200	3,900	11,300	26
Manufacturing	395,400	142,000	253,400	36
Logistics	74,800	0	74,800	0
Professional and Other Business Services	83,200	80,000	3,200	96
Finance, Insurance, Real Estate	96,300	96,300	0	100
Education, Health	33,800	33,800	0	100
Information	39,200	39,200	0	100
Tourism	2,500	2,500	0	100
Other	18,200	10,600	7,600	58

Source: Statistics Canada's 2006 Census, Decomposition by C4SE-SPI-C4SE
Note:
Logistics includes wholesale trade, transportation and warehousing.
Tourism includes information, culture; arts, entertainment and recreation; accommodation and food.
Other includes construction, utilities, retail sales, other personal services and public administration.

2.5 Trends in the Location of Jobs within the GTA on an Industry-by-Industry Basis

The best consistent source of information regarding employment by industry by place-of-work for both the GTA as a whole and for each of its components – the City vs. the four regions – is provided by Census of Canada employment by place-of work data. However, we have access to such data only for the Censuses of 2001 and 2006. Information from the 2011 Census regarding employment by industry will not be available until June 2013.

We do have access to annual data regarding employment by industry from the Labour Force Survey for the GTA as a whole covering the period from 1987 to 2011. Though we were successful above using 2006 employment by industry by place-of-work data in decomposing jobs within the City and the rest of the GTA into those that are export based and those that are community based, we are not able to decompose jobs into those categories over time. We can, however, deduce which export based industries GTA wide have created the most jobs over time using the LFS GTA data.

2.6 Trends in GTA Wide Export Based Jobs

In the decomposition of jobs section above it was noted that about 28 percent of all the jobs in the GTA in 2006 were export based jobs and that 54 percent were located in the City of Toronto and 46 percent in the four suburban regions.

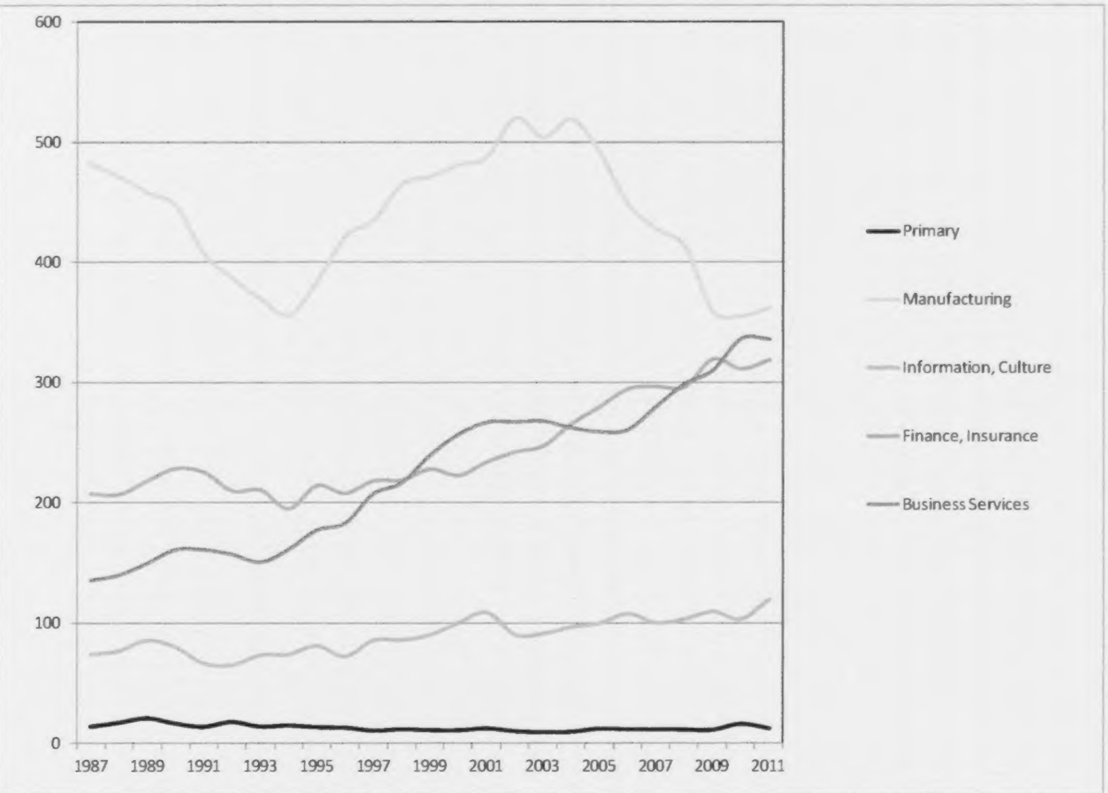
The growth of export based jobs is driven primarily by external factors – trade with the rest of Ontario, the rest of Canada, the United States and other countries – buffeted over time by significant exchange rate fluctuations, new trading arrangements (the free trade deals two decades ago boosted manufacturing production and jobs in Ontario and the GTA for most of the 1990s), by international crises (the post-911 period, SARS, etc. temporarily reduced trade between Canada and the US in the first half of the last decade) and by economic cycles (the US recession of 2008 to 2009 and its subsequent slow recovery have negatively impacted economic activity in Ontario and the GTA since the middle of 2008).

Figure 4 shows the evolution of employment for the GTA as a whole from 1987 to 2011 for each of the industries that are fully or significantly driven by export demand. Figure 5 shows the evolution of employment for the GTA as a whole over the same period for the sum of all the industries in Figure 4. These two Figures together reveal the following:

- The greatest swings in employment across this period occurred in manufacturing. Manufacturing employment reached cyclical peaks in the late 1980s and the early 2000s and reached cyclical lows in 1994 and 2009. Across the entire period manufacturing employment was virtually flat.
- Primary industries account for only a few export based jobs in the GTA. Generally speaking they have been declining over time.
- Employment in finance and insurance was flat through most of the 1990s but has been growing steadily on an annual basis since 2000. Note that 36 percent of these jobs were export driven in 2006.
- Employment in business services was on an upward trend throughout the period. Growth in such jobs was temporarily interrupted by the recessions of the early 1990s and of 2008-2009. We estimate that about one quarter of these jobs were export driven in 2006.

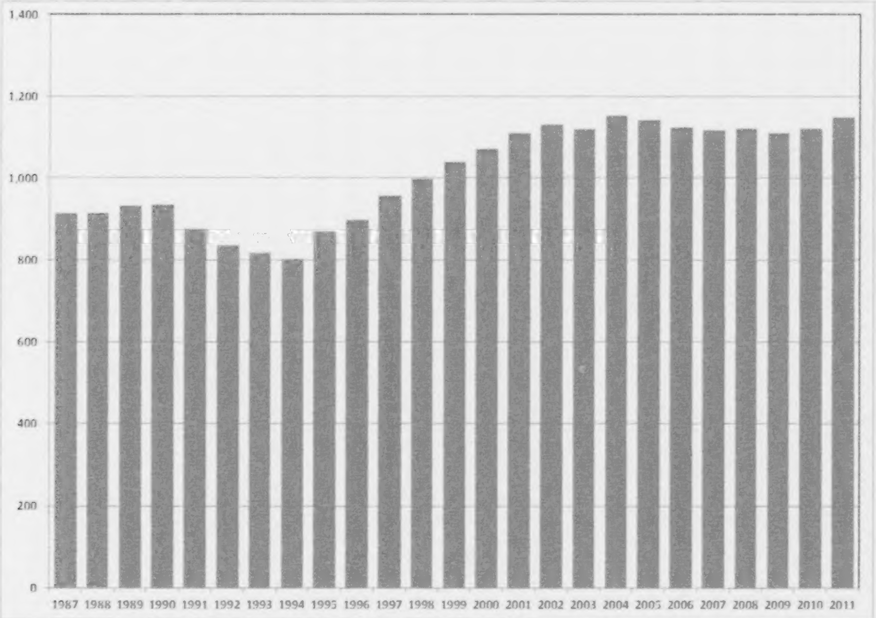
- Jobs in information and culture were also on an upward trend through most of the last quarter century. About 40 percent of these jobs were export driven in 2006.
- Figure 7 illustrates the long term trend in GTA jobs across all industries that are fully or significantly export driven. It depicts how such jobs fell from 1987 through 1994 due to the recession and the need to regroup in light of FTA/NAFTA, expanded steadily from 1994 through to 2004, and slid sideways since that time. That the total number of export oriented jobs in the GTA held steady over the last 7 years is a remarkable result given that manufacturers shed 150,000 jobs in the GTA between 2004 and 2009. The upshot of Figures 7 and 8 is that the remaining export driven industries fully offset the employment losses in manufacturing over this difficult adjustment period.

Figure 4: GTA Employment in Export Based Industries by Industry Annual Data, Thousands of Persons, 1987 to 2011



Source: Statistics Canada Labour Force Survey

Figure 5: GTA Employment in Export Based Industries in Total Annual Data, Thousands of Persons, 1987 to 2011



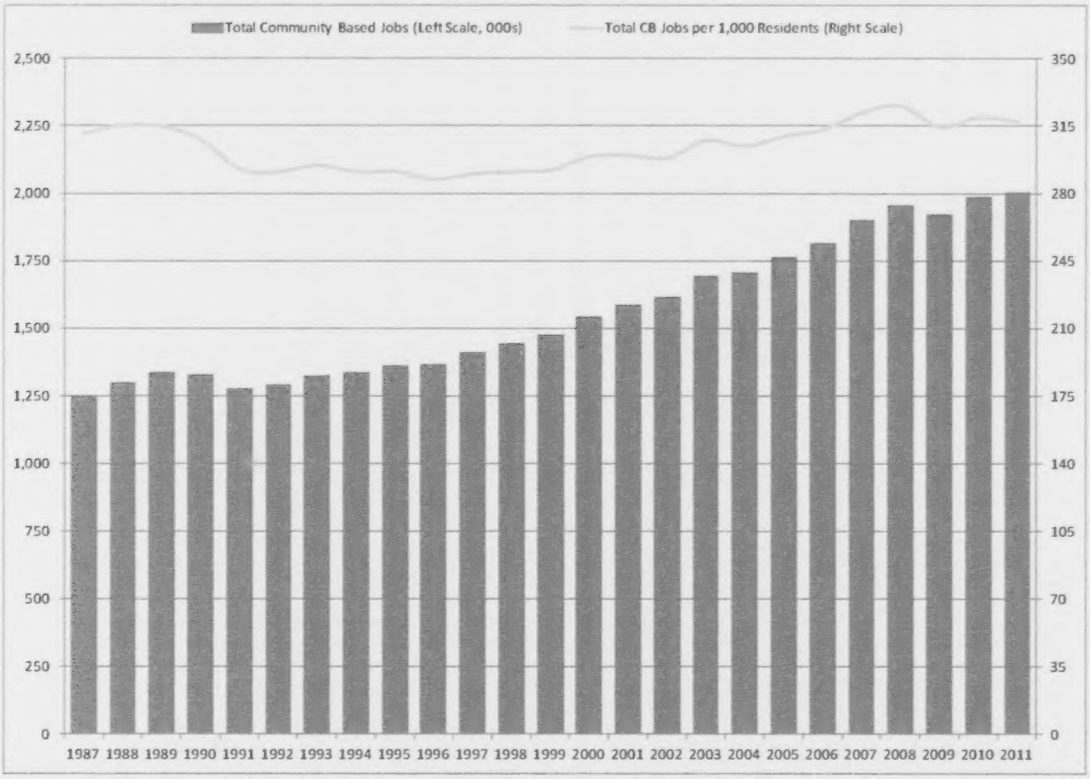
Source: Statistics Canada Labour Force Survey

2.7 Trends in GTA Wide Community Based Jobs

All of the other jobs in the GTA are primarily driven by the needs of the local population. (Community based industries include utilities; construction; wholesale trade; retail trade; transportation and warehousing; education; health and social services; arts, entertainment and recreation; food and accommodation; other services; and public administration.) Figure 6 shows that the sum total of such jobs within the GTA increased steadily throughout the 1987 to 2011 period with only minor setbacks during the recession of the early 1990s and again, to a lesser extent, during the recession of 2008-2009. These jobs are referred to as population serving and/or community based because the key driver is population growth.

Figure 6 also shows the ratio of such jobs to the population (plotted is the number of such jobs per 1,000 people in the GTA). Over time this ratio has changed very little. It declined from the late 1980s through to the mid-1990s due to the recession's negative impacts on disposable income and spending and when government, education and health budgets were cut in the face of growing deficits and debt at that time. The ratio held steady through most of the 1990s, then grew gradually from 1999 through 2008 against a backdrop of relative prosperity (compared to that of the 1990s). The ratio fell during the recession of 2008-2009 but held steady in 2010 and 2011.

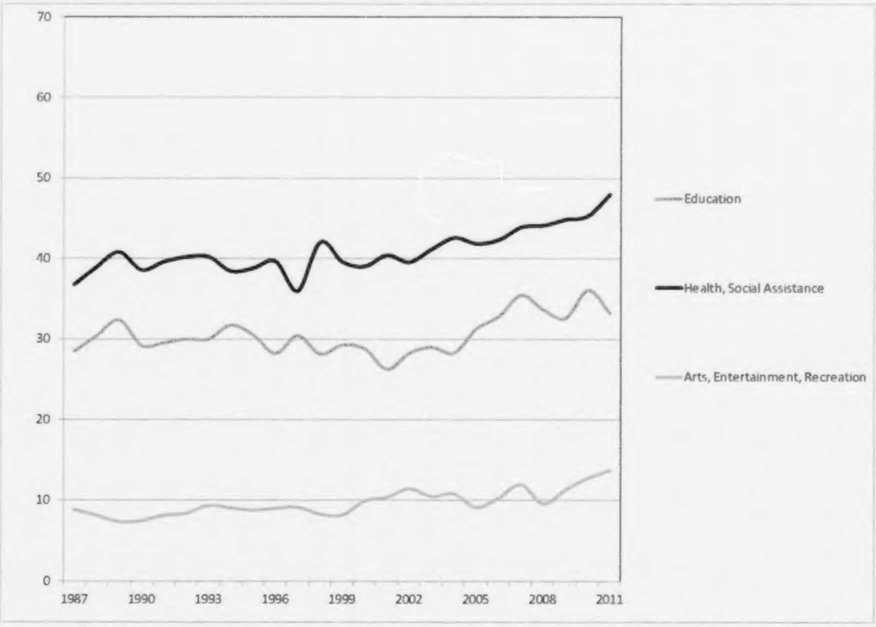
Figure 6: GTA Employment in Community Based Industries
Level in Thousands of Persons and as a Ratio per 1,000 Residents
Annual Data, 1987 to 2011



Source: Statistics Canada Labour Force Survey, City of Toronto Employment Survey and C4SE-SPI-C4SE

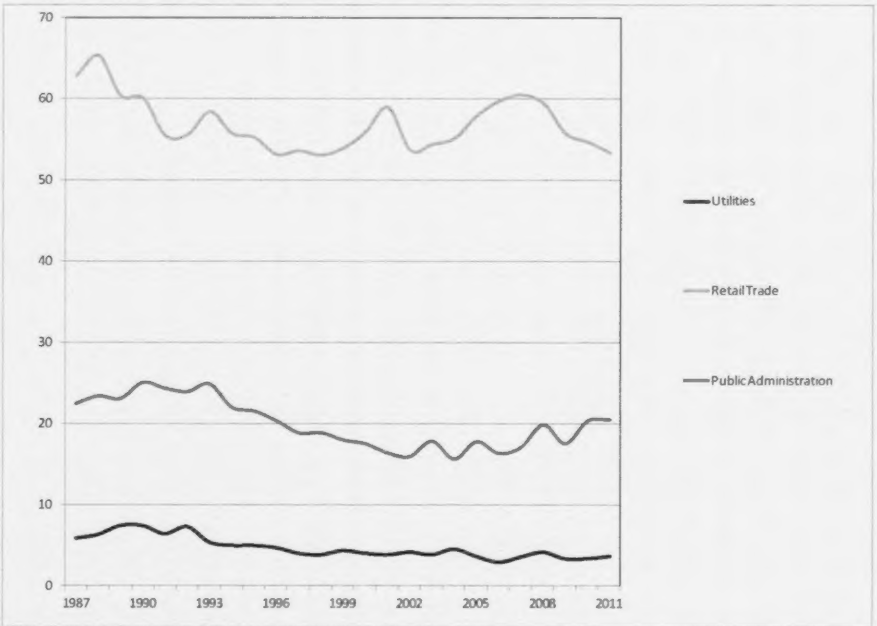
The ratio of such jobs to the population on a component-by-component basis varies significantly. The ratios in a few community based industries have increased slightly over time (Figure 7) while in a few they have decreased slightly over time (Figure 8). But in most population serving industries they have followed a relatively flat trend (Figure 9).

Figure 7: GTA Employment in Community Based Industries with Increasing Ratios Annual Data, Employed per 1,000 Residents, 1987 to 2011



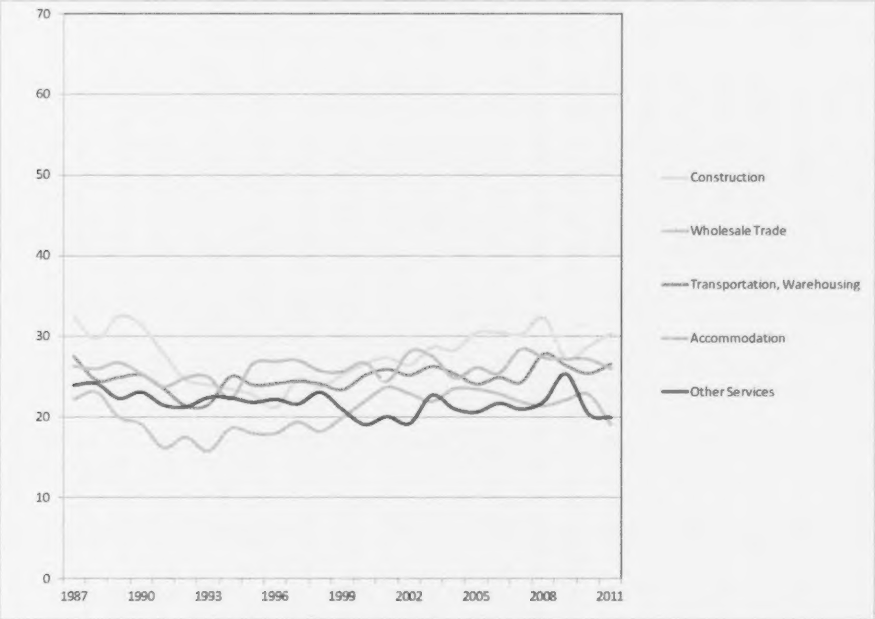
Source: Statistics Canada Labour Force Survey and C4SE-SPI-C4SE

Figure 8: GTA Employment in Community Based Industries with Decreasing Ratios Annual Data, Employed per 1,000 Residents, 1987 to 2011



Source: Statistics Canada Labour Force Survey and C4SE-SPI-C4SE

Figure 9: GTA Employment in Community Based Industries with Steady Ratios Annual Data, Employed per 1,000 Residents, 1987 to 2011



Source: Statistics Canada Labour Force Survey and C4SE-SPI-C4SE

Population growth in the City has not kept pace with population growth in the GTA's four suburban regions. Between 1987 and 2011 the population of the City increased from 2,332,000 to 2,727,000, or by 395,000 people, a gain of 17 percent. In contrast the population of the rest of the GTA over that period grew from 1,685,000 to 3,591,000, or by 1,906,000, a gain of 113 percent. Over that period the City accounted for 21 percent of the GTA's total population growth.

In view of these relative population changes it is to be expected that the City's share of population serving employment within the GTA declined in most every category over that period.

This Page Left Intentionally Blank

3.0 EMPLOYMENT FORECASTS TO 2031 AND 2041

3.1 Projected Employment in Export and Community Based Industries for the GTA

The Centre for Spatial Economics - Strategic Projections Inc. (C4SE-SPI) has developed a projection framework we use to prepare and regularly update detailed economic and demographic projections at the national, provincial and metropolitan area level throughout the country. The system is driven by expectations regarding growth in the United States economy, our greatest trading partner, and by expectations regarding economic policies, the stage of the business cycle, etc. This framework drives economic growth at metropolitan area levels across the country, including the GTA, as follows:

- National trends in output by industry in the export oriented industries are driven primarily by expectations regarding the US economy. National trends in employment by industry in these export oriented industries are driven by projected output by industry and by expectations regarding underlying productivity growth by industry.
- Provincial trends in output in these export oriented industries reflect expected shifting shares of national output. Provincial trends in employment in these industries are driven by provincial trends in output and projected provincial trends in productivity.
- Metropolitan area trends in employment by industry are driven assuming each metro area retains its share of export based jobs within each province across the projection horizon.
- Export based jobs are allocated to metropolitan area sub-area's (such as to Toronto within the GTA) assuming their shares of such jobs within the province will be sustained across the projection horizon.

The population of each sub-area within the GTA is set considering expected overall job growth prospects for the entire area and taking into account the extent to which each sub-area is able to and/or mandated to accommodate population growth according to Places to Grow.

Employment among those industries that are population serving is projected for each sub-area based on its base year ratio of such jobs to the population and on projected province-wide trends in those ratios in the future (which, in turn, reflect past trends regarding the increasing, decreasing or steady nature of such ratios historically). The projected ratios are applied to the projected population for each sub-area to derive projected employment for each population serving industry.

Real output of each population serving industry is projected based on the number of jobs projected for it and on projected productivity for such jobs at the provincial level.

The next section describes future trends in GTA-wide employment and output by industry across all export and community based industries as derived using the methodology described here.

3.2 Projected Trends in GTA Output and Employment by Industry

Figures 10a and 10b tabulate past (1997 to 2011) and projected future (2011 to 2031 in Figure 10a and 2011 to 2041 in Figure 10b) trends in output (real GDP), employment and output per worker (productivity) for the GTA as a whole by industry. The employment estimates for the GTA are based on Labour Force Survey employment by industry data (summing the CMAs of Toronto and Oshawa). Output per worker (productivity) estimates for Ontario were derived using Statistics Canada data regarding Ontario real GDP by industry and Labour Force Survey data for Ontario regarding employment by industry. Real GDP estimates for the GTA were estimated by applying Ontario productivity estimates by industry to the LFS estimates of employment by industry for the GTA.

Figures 10a and 10b show that:

- We project real GDP for the GTA to increase by 2.7 percent per year on average over the two decade span from 2011 to 2031 and by 2.5 percent per year on average over the three decade span from 2011 to 2041. By way of comparison that pace is slightly slower than the 3.0 percent pace per year achieved over the span from 1997 to 2011.

- We project total employment will grow 1.4 percent and 1.2 percent per year over the next two and three decade spans respectively compared to 2.1 percent per year from 1997 to 2011.
- We project output per worker will grow by 1.3 percent per year over each of the next two decade and three decade spans compared to 0.9 percent annually from 1997 to 2011.

A key objective of this assessment is to determine the extent to which employment will grow in the GTA as a whole and within the City of Toronto in particular. First, the GTA. Figures 10a and 10b compare our projected growth in employment by industry for the GTA as a whole from 2011 to 2031 (10a) and from 2011 to 2041 (10b) to the growth that actually occurred between 1997 and 2011. Figures 10a and 10b reveal that we expect GTA industrial employment growth in the future to mirror that of the past with the following exceptions:

- We project that GTA manufacturing production will grow 2.2 percent annually from 2011 to 2031 and 1.8 percent annually from 2011 to 2041 after declining 0.2 percent annually from 1997 to 2011. We project stronger productivity growth in manufacturing over the next two to three decades (2.1 percent from 2011 to 2031 and 2.0 percent from 2011 to 2041) than over the 1997 to 2011 span (1.0 percent per year) reflecting successful efforts on the part of manufacturers in Ontario and the GTA to remain competitive with producers abroad.

  As a result manufacturing employment will grow at an annual rate of 0.1 percent between 2011 and 2031 and decline at an average rate of 0.1 percent from 2011 to 2041 after increasing at a rate of 2.1 percent between 1997 and 2011. In other words we are projecting that manufacturing output and productivity growth will accelerate but that manufacturing employment growth will barely grow.

- The apparent historical versus projected inconsistencies in manufacturing GDP and employment growth in the GTA are clarified by taking a longer term historical perspective. Figure 11 shows the annual path of real output and employment in manufacturing for the GTA historically from 1987 to 2011 (that is back 10 years further than the perspective provided in Figure 10) and the projected path for each from 2012 to 2041. It also shows the long-term trend growth path of manufacturing real output and employment over the period based on data from 1987 to 2011. The long-term trend line for both is extrapolated beyond 2011 to 2041 to indicate where each would have been in the future had they followed a steady growth path from 1987 to 2011 (instead of the highly cyclical path that actually occurred).

Figure 11 shows that both manufacturing output and employment in 2011 were well below their long term trend values. In other words gaps between actual and trend levels have emerged for both output and employment. Figure 11 also shows that we expect manufacturing output from this point forward to grow at a rate close to its long term trend. Note, however, that we do not expect the output gap to ever close. In other words, recent trends in manufacturing output in the GTA suggest a permanent loss of at least some production activity occurred over the last decade. Furthermore, because we expect productivity growth in manufacturing in the future will exceed that of the past, manufacturing employment growth in the future will consistently fall short of its historical pace.

As a result the employment gap, though narrowing slightly during the current recovery-expansion period, will nevertheless get larger over time, suggesting that permanent job losses in manufacturing occurred over the last decade and more losses will occur gradually over the decades ahead. These various rates of growth mean that manufacturing employment in 2031 will be 15,000 more than it was in 2011 but that by 2041 it will be 23,000 less than it was in 2011. By way of comparison it fell between 1997 and 2011 by almost 75,000 but it was flat between 1987 and 2011.

- Employment in health care and social assistance will grow faster in the future than in the past due to the aging of the population. The number of persons 65 and over – the population that accounts for the largest use of health care services – will increase significantly throughout Canada over the next three decades. The oldest Baby Boomers turned 65 in 2011 while the youngest will turn 65 in 2031. By 2041 every surviving member of the Baby Boom Generation will be 75 years of age or older.
- Professional services and finance-insurance employment will grow in the future at rates less than half those achieved in the past. The expected deceleration in employment growth in each of these two industries reflects both a deceleration in output growth – there's only so much outsourcing of expertise by manufacturers and others to these sectors that can occur – and an expected acceleration in future rates of productivity growth through the continued application of new technologies in these sectors.

Exhibit 10a: Real GDP, Employment and Productivity Growth in the GTA 1997-2011 and 2011-2031

	Levels									Averaqge Annual Percent Change					
	Real GDP ($02, 000,000s)			Employed (000s)			Productivity ($02, 000s)			Real GDP		Employed		Productivity	
	1997	2011	2031	1997	2011	2031	1997	2011	2031	97-11	11-31	97-11	11-31	97-11	11-31
Total all industries	163,550	242,562	399,082	2,368	3,154	4,085	69	77	98	2.9	2.7	2.1	1.4	0.8	1.3
Primary, utilities	2,614	3,465	4,052	30	36	30	86	92	130	2.7	0.8	1.6	-0.9	0.6	1.8
Construction	7,006	11,084	14,903	120	192	265	58	62	60	3.6	1.6	3.6	1.7	0.5	-0.1
Manufacturing	36,413	34,166	51,170	435	361	368	84	95	140	-0.2	2.2	-1.2	0.1	1.0	2.1
Trade	15,710	27,598	53,215	355	458	578	44	57	88	4.2	3.5	1.9	1.2	1.9	2.3
Transportation and warehousing	7,218	10,641	16,647	119	168	204	61	67	86	2.9	2.4	2.6	1.0	0.8	1.3
Finance, insurance, real estate and leasing	44,182	74,639	122,605	218	319	391	203	235	315	3.8	2.6	2.8	1.1	1.1	1.5
Professional, scientific and technical services	9,222	16,970	28,642	207	335	459	45	51	63	4.6	2.8	3.6	1.7	1.1	1.1
Business, building and other support services	4,451	7,105	13,576	103	148	229	43	49	60	3.5	3.5	2.8	2.3	0.9	1.1
Educational services	8,354	11,078	14,638	148	209	289	57	52	50	2.2	1.5	2.7	1.7	-0.5	-0.2
Health care and social assistance	8,181	12,934	18,584	175	303	481	47	45	41	3.4	1.9	4.1	2.5	-0.3	-0.5
Information, culture and recreation	5,051	8,665	17,488	86	120	155	59	79	125	4.3	3.8	2.7	1.4	2.2	2.4
Accommodation and food services	2,332	3,053	4,448	94	121	164	25	25	27	2.5	2.0	2.0	1.6	0.2	0.4
Other services	6,153	11,544	24,268	187	256	303	33	44	79	4.9	4.0	2.7	0.9	2.3	3.1
Public administration	6,664	9,620	14,846	92	129	160	73	78	97	2.9	2.3	2.9	1.1	0.5	1.2

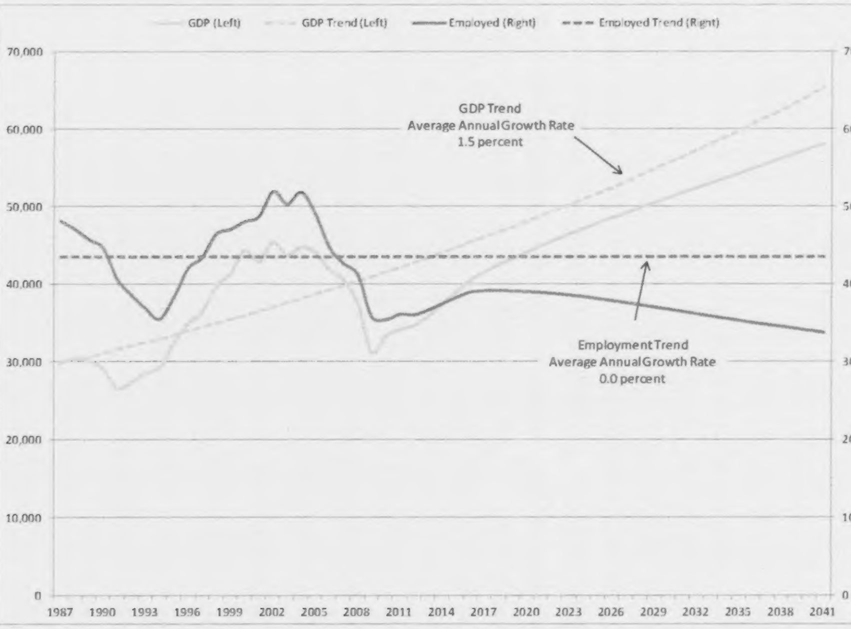
Source: Statistics Canada Ontario GDP Estimates and GTA Labour Force Survey Employment Estimates and C4SE-SPI-C4SE

Exhibit 10b: Real GDP, Employment and Productivity Growth in the GTA 1997-2011 and 2011-2041

	Levels									Averaqge Annual Percent Change					
	Real GDP ($02, 000,000s)			Employed (000s)			Productivity ($02, 000s)			Real GDP		Employed		Productivity	
	1997	2011	2041	1997	2011	2041	1997	2011	2041	97-11	11-41	97-11	11-41	97-11	11-41
Total all industries	163,550	242,562	503,330	2,368	3,154	4,502	69	77	112	2.9	2.5	2.1	1.2	0.8	1.3
Primary, utilities	2,614	3,465	4,139	30	36	26	86	92	153	2.7	0.6	1.6	-1.0	0.6	1.7
Construction	7,006	11,084	16,550	120	192	302	58	62	59	3.6	1.3	3.6	1.5	0.5	-0.2
Manufacturing	36,413	34,166	58,118	435	361	338	84	95	173	-0.2	1.8	-1.2	-0.2	1.0	2.0
Trade	15,710	27,598	72,160	355	458	629	44	57	110	4.2	3.3	1.9	1.1	1.9	2.2
Transportation and warehousing	7,218	10,641	20,561	119	168	221	61	67	98	2.9	2.2	2.6	0.9	0.8	1.3
Finance, insurance, real estate and leasing	44,182	74,639	156,198	218	319	426	203	235	369	3.8	2.5	2.8	1.0	1.1	1.5
Professional, scientific and technical services	9,222	16,970	35,947	207	335	517	45	51	70	4.6	2.5	3.6	1.5	1.1	1.1
Business, building and other support services	4,451	7,105	18,364	103	148	278	43	49	67	3.5	3.2	2.8	2.1	0.9	1.1
Educational services	8,354	11,078	16,477	148	209	338	57	52	48	2.2	1.3	2.7	1.6	-0.5	-0.3
Health care and social assistance	8,181	12,934	20,355	175	303	565	47	45	38	3.4	1.5	4.1	2.1	-0.3	-0.6
Information, culture and recreation	5,051	8,665	26,133	86	120	176	59	79	164	4.3	3.8	2.7	1.3	2.2	2.5
Accommodation and food services	2,332	3,053	5,131	94	121	185	25	25	27	2.5	1.7	2.0	1.4	0.2	0.3
Other services	6,153	11,544	34,875	187	256	315	33	44	109	4.9	3.8	2.7	0.7	2.3	3.0
Public administration	6,664	9,620	18,323	92	129	176	73	78	109	2.9	2.2	2.9	1.0	0.5	1.1

Source: Statistics Canada Ontario GDP Estimates and GTA Labour Force Survey Employment Estimates and C4SE-SPI-C4SE

Figure 11: Real GDP (Millions of $2002) and Employment (Thousands) in Manufacturing in the GTA
Annual Data 1987 to 2041



Source: Statistics Canada and C4SE-SPI-C4SE

3.3 Potential GTA and City of Toronto Employment by Industry

The assessment above is based on historical employment by industry Labour Force Survey data for the GTA as a whole and on LFS-based projections we developed for GTA-wide employment by industry. While LFS data can be obtained separately for each of the GTA's component regions LFS data reflect where workers live not where they work. The only data reflecting where the GTA's workers work for both the City and the rest of the GTA are the employment by place-of-work data provided through the Census. At the time of writing of this report, this latter data source is only available up to 2006.

To develop estimates for 2011 and projections to 2031 and to 2041 of employment by industry by place-of-work for each of the City and the rest of the GTA we developed a model which carries out the following calculations:

- Estimates of employment by industry by place-of-work for the GTA as a whole are driven by the LFS-based projections for the GTA by industry described above. Actual data for employment by place-of-work by industry are obtained from the 2001 and 2006 Census while estimates by industry for 2011 and projections by industry to 2031 and 2041 are generated consistent with the LFS-based projections for the GTA by industry.

- The projections for the components of the GTA – for the City and for the rest of the GTA – were derived as follows. Export oriented industrial employment for each area is driven by expected future trends nationally and provincially and is based on the assumption each area will retain its share of such jobs within the province. In other words these projections imply the City's share for such jobs within the GTA will hold firm in the future. These projections, therefore, can be seen as providing a "best case" assessment of the City's potential for export based job growth (that is, we are assuming the City will not lose its share of such jobs in the future though there are signs it has in the past).
- Community based employment for each area reflects expected future changes in the ratio of such jobs to the population and the expected future population of each area.

The consulting team recommended to staff that the City's best interests with respect to assessing future land requirements within the City for employment purposes would be best served through the consideration of two alternative futures for the City.

In that regard it was determined that, given the current planning policy significance to the area of Places to Grow, an employment by industry projection reflecting the allocation of jobs to the City found in the Province's Growth Plan for the Greater Golden Horseshoe, would serve as a useful starting point. Note however that the consulting team is of the view that Schedule 3 projected 2031 values for the population (3.08 million) and employment (1.64 million) of the City understate the City's growth potential to 2031.

The consulting team recommended that the recently released Ontario Ministry of Finance projections (Spring 2012) for the population of Ontario by region and county be used as the basis for an alternative projection for the City. The Finance projections call for considerably more population (3.31 million, or 225,500 more) for the City in 2031 than allocated to it by the Province's Growth Plan.

Because the Province will be extending its Schedule 3 projections beyond 2031 in the coming months the consulting team also recommended that the City base its future employment land requirements on projections extending to 2041.

The Centre for Spatial Economics-Strategic Projections Inc. (C4SE-SPI) is the consulting team member assigned the responsibility for developing the alternative employment by place-of-work and total population projections for each of the

City and the rest of the GTA for this assignment. Our base case population projection for the City for 2031 falls about mid-way between the Schedule 3 and Ministry of Finance projections (we project the City's population at 3.12 million and employment at 1.69 million for 2031). Our base case employment projection for the City and the GTA for 2031 exceeds that of Schedule 3. The Ministry of Finance projections address population only, not employment.

Drawing on our base case projections for employment by industry for the GTA as summarized in Figures 10a and 10b, and on the allocation model framework described above, we developed two projections for the City. The first projection is consistent with Schedule 3's employment allocation (the Low projection). The second is consistent with the level of employment that would likely arise if the City's population reaches the level suggested by the Ontario Ministry of Finance (the High projection).

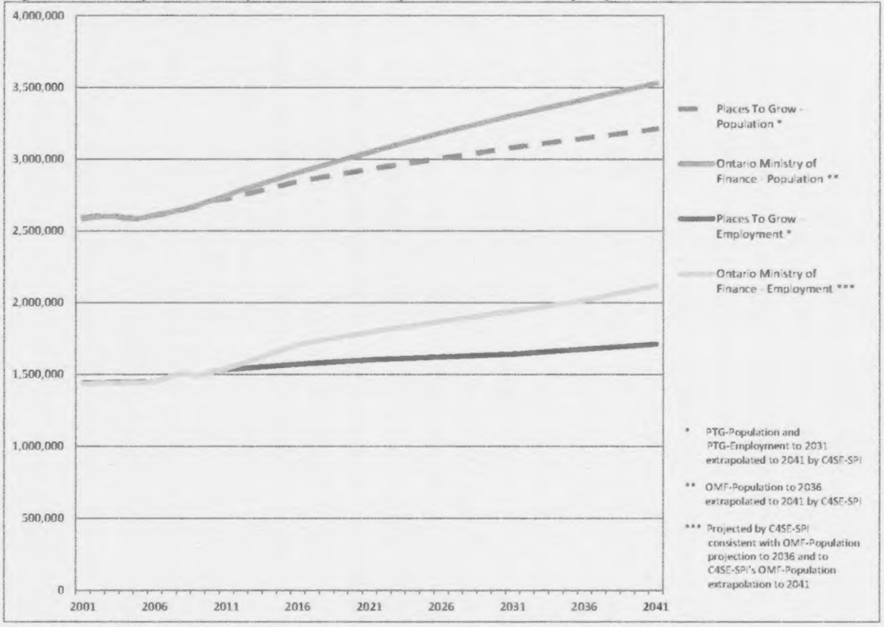
We extended the Schedule 3 population and employment projections to 2041 assuming that the annual pace of growth in the 2030's (that is from 2031 to 2041) would decelerate in line with the slowdown projected to occur in Schedule 3 between the 2020's and 2030's. We extended the Schedule 3 employment projections to 2041 assuming the overall activity rate in the City would hold at the projected level at 2031 through to 2041. We extended the Ministry of Finance population projections – which go to 2036 – out to 2041 assuming that the slowdown projected to occur over the final five years of the 2030's (2036 to 2041) will match the slowdown Finance projects will occur from the late 2020's to the early 2030's.

Figure 12 summarizes the total population and total employment projections developed by C4SE-SPI for the City to 2041 based on the above assumptions

Figure 13a shows C4SE-SPI's base case population and detailed employment projections by industry for each of the City and the GTA to 2031 while Figure 13b shows the projections to 2041. This projection calls for the population of the GTA to increase between 2011 and 2041 by just over 2.5 million people with the City accounting for 533,200 of that gain, or for 22 percent.

Our base case calls for total employment in the GTA to increase between 2011 and 2041 by just over 1.1 million with the City accounting for 389,700 of that gain, or for 34 percent. The higher projected share of future employment growth for the City within the GTA reflects the disproportionate role the City is expected to play in attracting new jobs in such export based service sectors as finance, health and professional business services. In the case of these industries we project the City will capture 51 percent, 44 percent and 43 percent of all the jobs created in these industries in the GTA. The existing and projected shares within the GTA in 2001 and 2011 of the City's employed by industry is provided as is the City's share of the projected levels in 2041 and the projected change from 2011 to 2041.

Figure 12: Projected City of Toronto Population and Employment 2001 to 2041



Source: Ontario Ministry of Finance Demographic Projections (June 2012), Places to Grow Schedule 3 and C4SE-SPI.

This base case assisted us in developing the Low and High projections for employment by industry for the City as summarized in Figure 14. It should be noted that Figure 14 adds an employment component at the bottom of the industry list to account for all those jobs within the City held by persons with no fixed place of work in order that total employment in each projection in each year matches PTG's Schedule 3 definition for total employment.

Figure 14 indicates that if Places to Grow's Schedule 3 (extended to 2041 by C4SE-SPI) is used as the basis for projecting the City's total population and employment between 2011 and 2041, the City's total population will grow by 487,900 and its total employment will grow by 177,300 over that span.

On the other hand, if the Ontario Ministry of Finance's projection (extended to 2041 by C4SE-SPI) is used as the basis for projecting the City's total population and a consistent level of employment, the population of the City will grow by 806,800 and its total employment will grow by 584,100 over that period.

Census data for 1996, 2001 and 2006 indicate that the number of jobs on a place-of-work basis in the City of Toronto grew by 114,380 between 1996 and 2001, but by only 8,910 between 2001 and 2006, for a total gain over that ten year period (1996 to 2006) of 123,290. That achievement is about mid-way between the projected gains in jobs per decade from 2011 to 2041 summarized in Figure 14. Figure 14 suggests the average job creation pace per decade from 2011 to 2041 could be as low as 59,100 (Low alternative) or as high as 194,700 (High alternative). In other words the Low and High alternatives bracket the average job creation pace achieved over the decade by the City from 1996 to 2006.

Achieving a gain of the magnitude reflected in the High alternative is clearly at odds with recent history. Nevertheless, if the City's population growth between 2011 and 2041 is as strong as that suggested by the High alternative its employment base will have to grow at a pace well ahead of the pace achieved recently. A strong pace of population growth in the City is consistent with an above average pace of expansion in its economic base jobs – they will draw more residents – and an above average pace of growth in its community base jobs – the new residents will require far more community services.

Figure 13a: Greater Toronto Area and City of Toronto Total Population and Employment by Industry C4SE-SPI Base Case Projection Actual Data 2001, Estimated Data 2011, Projected Data 2031

	Actual			Estimated			Projected					
	Level 2001			Level 2011			Level 2031			Change 11-31		
	City	GTA	City %	City	GTA	City %	City	GTA	City %	City	GTA	
Population	2,594,700	5,308,700	49	2,727,200	6,318,300	43	3,123,700	8,158,200	38	396,500	1,839,900	22
Total employed by place of work	1,327,500	2,512,900	53	1,413,300	2,863,100	49	1,691,100	3,683,900	46	277,800	820,800	34
Primary	2,500	13,400	19	4,000	15,700	25	2,900	11,400	25	-1,100	-4,300	26
Utilities	9,800	21,800	45	9,100	25,200	36	8,900	29,900	30	-200	4,700	-4
Construction	28,700	70,700	41	30,400	88,200	34	37,300	124,300	30	6,900	36,100	19
Manufacturing	173,300	431,500	40	115,900	322,700	36	117,000	325,800	36	1,100	3,100	35
Wholesale trade	55,700	159,800	35	52,200	169,600	31	66,400	239,300	28	14,200	69,700	20
Retail trade	137,000	283,500	48	130,000	305,900	42	139,200	370,100	38	9,200	64,200	14
Transportation, warehousing	40,500	113,400	36	42,100	137,200	31	45,400	162,200	28	3,300	25,000	13
Information, cultural industries	73,200	97,400	75	70,600	101,000	70	68,700	103,400	66	-1,900	2,400	-79
Finance, insurance, real estate	170,300	243,300	70	191,300	289,300	66	221,500	350,600	63	30,200	61,300	49
Professional, scientific, technical	149,000	238,600	62	184,100	327,500	56	235,600	447,900	53	51,500	120,400	43
Other business services	60,400	104,200	58	62,000	119,200	52	88,600	183,900	48	26,600	64,700	41
Educational	83,200	147,300	56	99,200	188,400	53	124,500	260,100	48	25,300	71,700	35
Health care, social assistance	121,700	198,400	61	163,700	284,400	58	236,300	447,700	53	72,600	163,300	44
Arts, entertainment, recreation	24,200	43,300	56	30,300	59,700	51	41,800	92,600	45	11,500	32,900	35
Accommodation, food	76,100	141,900	54	78,300	160,400	49	95,000	217,700	44	16,700	57,300	29
Services not specified elsewhere	62,300	110,900	56	68,700	135,900	51	72,700	158,500	46	4,000	22,600	18
Public administration	59,600	93,500	64	81,400	132,800	61	89,300	158,500	56	7,900	25,700	31
Persons with no usual place of work	0	0	0	0	0	0	0	0	0	0	0	0

Source: C4SE-SPI

Figure 13b: Greater Toronto Area and City of Toronto Total Population and Employment by Industry C4SE-SPI Base Case Projection Actual Data 2001, Estimated Data 2011, Projected Data 2041

	Actual			Estimated			Projected					
	Level 2001			Level 2011			Level 2041			Change 11-41		
	City	GTA	City %	City	GTA	City %	City	GTA	City %	City	GTA	
Population	2,594,700	5,308,700	49	2,727,200	6,318,300	43	3,260,400	8,795,300	37	533,200	2,477,000	22
Total employed by place of work	1,327,500	2,512,900	53	1,413,300	2,863,100	49	1,803,000	3,995,900	45	389,700	1,132,800	34
Primary	2,500	13,400	19	4,000	15,700	25	2,300	9,200	25	-1,700	-6,500	26
Utilities	9,800	21,800	45	9,100	25,200	36	8,600	30,400	28	-500	5,200	-10
Construction	28,700	70,700	41	30,400	88,200	34	40,600	140,100	29	10,200	51,900	20
Manufacturing	173,300	431,500	40	115,900	322,700	36	108,500	302,000	36	-7,400	-20,700	36
Wholesale trade	55,700	159,800	35	52,200	169,600	31	71,000	262,900	27	18,800	93,300	20
Retail trade	137,000	283,500	48	130,000	305,900	42	143,100	393,400	36	13,100	87,500	15
Transportation, warehousing	40,500	113,400	36	42,100	137,200	31	47,000	171,400	27	4,900	34,200	14
Information, cultural industries	73,200	97,400	75	70,600	101,000	70	68,500	104,500	66	-2,100	3,500	-60
Finance, insurance, real estate	170,300	243,300	70	191,300	289,300	66	235,500	376,500	63	44,200	87,200	51
Professional, scientific, technical	149,000	238,600	62	184,100	327,500	56	257,700	497,300	52	73,600	169,800	43
Other business services	60,400	104,200	58	62,000	119,200	52	102,500	216,900	47	40,500	97,700	41
Educational	83,200	147,300	56	99,200	188,400	53	138,200	296,300	47	39,000	107,900	36
Health care, social assistance	121,700	198,400	61	163,700	284,400	58	263,400	511,200	52	99,700	226,800	44
Arts, entertainment, recreation	24,200	43,300	56	30,300	59,700	51	48,100	110,300	44	17,800	50,600	35
Accommodation, food	76,100	141,900	54	78,300	160,400	49	101,700	240,600	42	23,400	80,200	29
Services not specified elsewhere	62,300	110,900	56	68,700	135,900	51	73,000	163,200	45	4,300	27,300	16
Public administration	59,600	93,500	64	81,400	132,800	61	93,300	169,700	55	11,900	36,900	32
Persons with no usual place of work	0	0	0	0	0	0	0	0	0	0	0	0

Source: C4SE-SPI

Figure 14: City of Toronto Total Population and Employment by Industry Actual Data 2001, Estimated Data 2011, Projected Data 2031 and 2041

	Actual	Estimated	Projected									
	Level	Level	Level 2021		Level 2031		Level 2041		Change 11-31		Change 11-41	
	2001	2011	Low	High	Low	High	Low	High	Low	High	Low	High
Population	2,590,000	2,722,100	2,930,000	3,047,400	3,080,000	3,305,500	3,210,000	3,528,900	357,900	583,400	487,900	806,800
Total employed by place of work	1,440,000	1,532,700	1,600,000	1,793,500	1,640,000	1,941,000	1,710,000	2,116,800	107,300	408,300	177,300	584,100
Primary	2,500	4,000	3,600	3,500	3,200	2,800	2,800	2,200	-800	-1,200	-1,200	-1,800
Utilities	9,800	9,100	8,900	9,400	8,600	9,000	8,500	8,800	-500	-100	-600	-300
Construction	28,700	30,400	32,200	36,200	33,400	39,700	35,300	43,700	3,000	9,300	4,900	13,300
Manufacturing	173,300	115,900	113,100	119,700	108,400	115,700	105,700	113,800	-7,500	-200	-10,200	-2,100
Wholesale trade	55,700	52,200	55,800	62,300	58,500	68,500	62,200	75,700	6,300	16,300	10,000	23,500
Retail trade	137,000	130,000	131,900	142,000	131,600	144,900	133,700	150,200	1,600	14,900	3,700	20,200
Transportation, warehousing	40,500	42,100	43,100	46,000	43,300	46,900	44,400	48,700	1,200	4,800	2,300	6,600
Information, cultural industries	73,200	70,600	69,400	73,800	67,100	72,200	66,000	71,900	-3,500	1,600	-4,600	1,300
Finance, insurance, real estate	170,300	191,300	197,300	221,200	199,900	237,100	206,200	256,500	8,600	45,800	14,900	65,200
Professional, scientific, technical	149,000	184,100	197,100	224,200	206,700	250,300	220,000	279,800	22,600	66,200	35,900	95,700
Other business services	60,400	62,000	68,800	82,800	74,300	98,500	81,200	115,400	12,300	36,500	19,200	53,400
Educational	83,200	99,200	105,800	120,900	110,700	135,000	117,500	150,900	11,500	35,800	18,300	51,700
Health care, social assistance	121,700	163,700	179,700	216,200	192,500	255,400	208,800	297,600	28,800	91,700	45,100	133,900
Arts, entertainment, recreation	24,200	30,300	33,300	39,600	35,700	46,400	38,700	53,900	5,400	16,100	8,400	23,600
Accommodation, food	76,100	78,300	82,600	91,800	85,500	99,400	90,000	108,500	7,200	21,100	11,700	30,200
Services not specified elsewhere	62,300	68,700	69,600	73,500	69,300	73,600	70,300	74,900	600	4,900	1,600	6,200
Public administration	59,600	81,400	83,100	90,700	83,400	94,200	85,200	99,300	2,000	12,800	3,800	17,900
Persons with no usual place of work	112,500	119,400	124,700	139,700	127,900	151,400	133,500	165,000	8,500	32,000	14,100	45,600

Source: C4SE-SPI

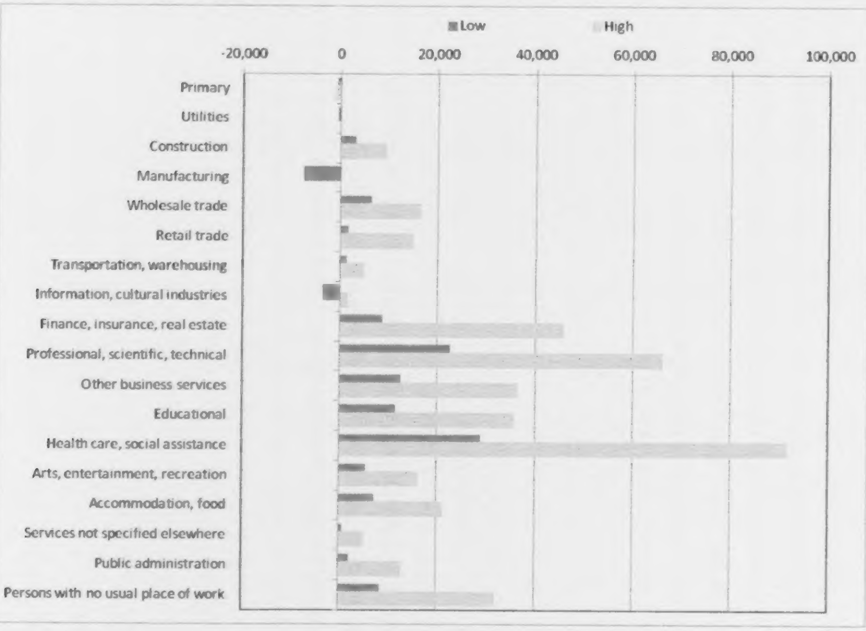
As noted earlier, the consulting team is of the view that Places to Grow has allocated too little population and too little employment growth to the City of Toronto to 2031. And it believes the City ought to be looking to the year 2041 for its employment land planning purposes. As a result the team recommends that the High projection alternative in Figures 11 through 14 – based on the Ontario Ministry of Finance population projections for the City but extended by C4SE-SPI to 2041, complemented by employment by industry projections derived by C4SE-SPI consistent with that population growth – ought to form the basis for the City's employment land planning purposes. It should be noted that the level of employment in every industry in the High projection in 2041 is higher than that in the Low projection because achieving such high growth in the City is consistent with a stronger outlook for Ontario generally over the projection horizon than that forming the basis of the PTG projections. That stronger economy generates the potential for more jobs in the City in its export based industries. And its stronger population growth generates the need for more community based jobs in the City.

Figure 15a illustrates the growth in employment by industry projected for the City from 2011 to 2031 according to the High and Low projection alternative as tabulated in Figure 14. Figure 15a shows clearly the extent to which health care, financial services and professional and other business services would be expected to dominate job growth in the City over this period in the case of both the High and Low alternatives.

Figures 15b and 15c illustrate the temporal path for growth in employment by industry from 2011 to 2041 lying behind the consultants-preferred High alternative projections in Figure 14.

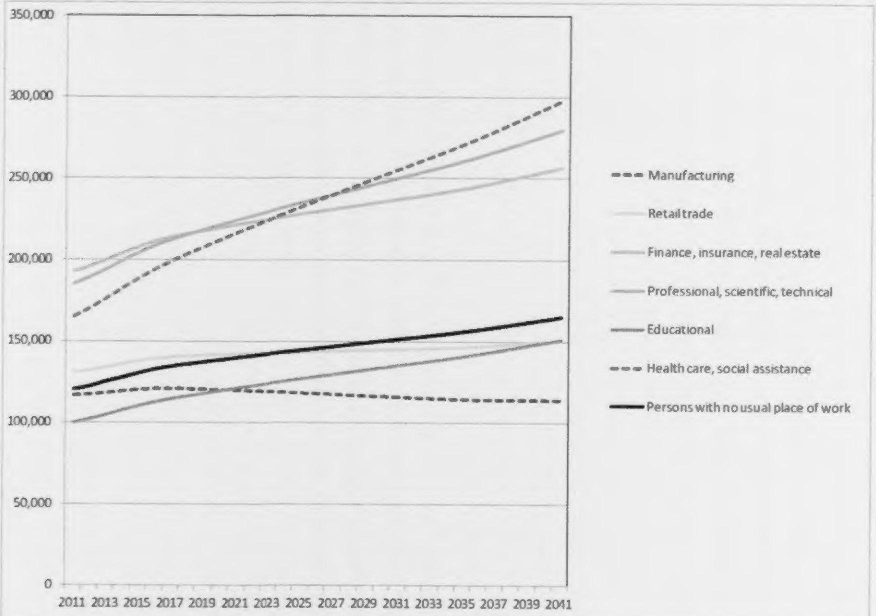
Forecast jobs for each industry sector under the Low and High alternatives are given for five-year horizons out to 2041 in Exhibit 16.

Figure 15a: Projected City of Toronto Job Growth by Major Industry 2011 to 2031 (High and Low Alternatives)



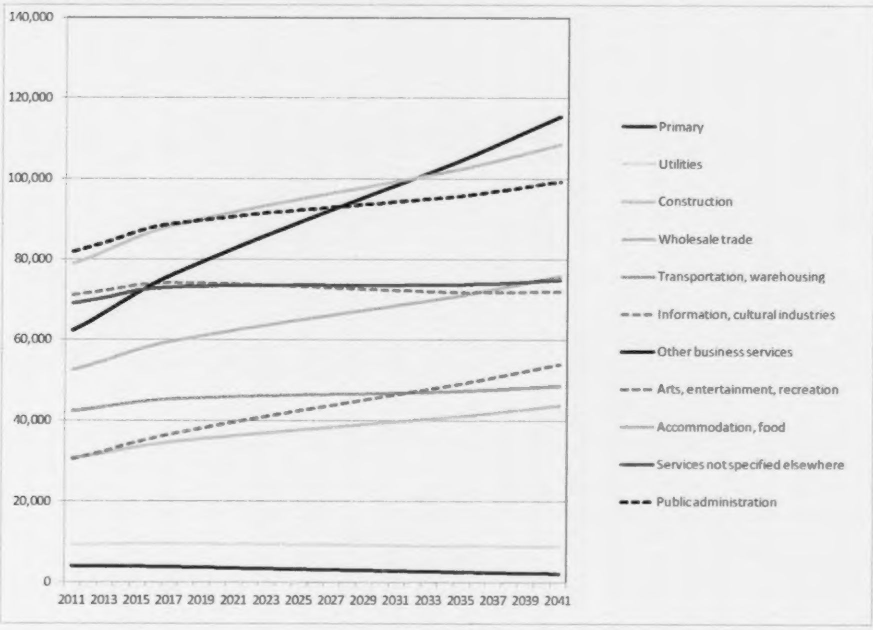
Source: C4SE-SPI

Figure 15b: City of Toronto Employment by Industry 2011 to 2041: High Alternative Industries Employing 100,000 or More in 2011



Source: C4SE-SPI

Figure 15c: City of Toronto Employment by Industry 2011 to 2041: High Alternative Industries Employing Fewer Than 100,000 in 2011



Source: C4SE-SPI

Figure 16: Low and High Employment Projections by Five-Year Horizon

Low Projection	2001	2011	2016	2021	2026	2031	2036	2041
Population	2,590,000	2,722,100	2,845,000	2,930,000	3,005,000	3,080,000	3,145,000	3,210,000
Total employed by place of work	1,440,000	1,532,700	1,570,000	1,600,000	1,620,000	1,640,000	1,675,000	1,710,000
Primary	2,500	4,000	3,800	3,600	3,400	3,200	3,000	2,800
Utilities	9,800	9,100	9,000	8,900	8,800	8,600	8,600	8,500
Construction	28,700	30,400	31,400	32,200	32,800	33,400	34,400	35,300
Manufacturing	173,300	115,900	114,800	113,100	110,700	108,400	107,100	105,700
Wholesale trade	55,700	52,200	54,100	55,800	57,200	58,500	60,300	62,200
Retail trade	137,000	130,000	131,300	131,900	131,700	131,600	132,700	133,700
Transportation, warehousing	40,500	42,100	42,700	43,100	43,200	43,300	43,900	44,400
Information, cultural industries	73,200	70,600	70,200	69,400	68,200	67,100	66,600	66,000
Finance, insurance, real estate	170,300	191,300	194,700	197,300	198,600	199,900	203,100	206,200
Professional, scientific, technical	149,000	184,100	191,000	197,100	201,900	206,700	213,300	220,000
Other business services	60,400	62,000	65,500	68,800	71,500	74,300	77,700	81,200
Educational	83,200	99,200	102,800	105,800	108,300	110,700	114,100	117,500
Health care, social assistance	121,700	163,700	172,100	179,700	186,100	192,500	200,600	208,800
Arts, entertainment, recreation	24,200	30,300	31,900	33,300	34,500	35,700	37,200	38,700
Accommodation, food	76,100	78,300	80,600	82,600	84,100	85,500	87,800	90,000
Services not specified elsewhere	62,300	68,700	69,300	69,600	69,400	69,300	69,800	70,300
Public administration	59,600	81,400	82,400	83,100	83,200	83,400	84,300	85,200
Persons with no usual place of work	112,500	119,400	122,400	124,700	126,400	127,900	130,500	133,500

High Projection	2001	2011	2016	2021	2026	2031	2036	2041
Population	2,584,100	2,743,700	2,906,700	3,047,400	3,182,500	3,305,500	3,417,200	3,528,900
Total employed by place of work	1,434,100	1,542,000	1,704,800	1,793,500	1,869,100	1,941,000	2,017,600	2,116,800
Primary	2,500	4,000	3,900	3,500	3,200	2,800	2,500	2,200
Utilities	9,800	9,200	9,500	9,400	9,200	9,000	8,900	8,800
Construction	28,600	30,600	34,100	36,200	38,000	39,700	41,400	43,700
Manufacturing	172,600	116,600	120,900	119,700	117,700	115,700	114,100	113,800
Wholesale trade	55,400	52,500	58,700	62,300	65,500	68,500	71,700	75,700
Retail trade	136,500	130,800	139,500	142,000	143,500	144,900	146,700	150,200
Transportation, warehousing	40,400	42,300	45,100	46,000	46,500	46,900	47,600	48,700
Information, cultural industries	72,900	71,000	74,100	73,800	73,000	72,200	71,600	71,900
Finance, insurance, real estate	169,600	192,500	211,500	221,200	229,400	237,100	245,400	256,500
Professional, scientific, technical	148,400	185,200	209,200	224,200	237,500	250,300	263,600	279,800
Other business services	60,200	62,400	74,100	82,800	90,800	98,500	106,400	115,400
Educational	82,900	99,800	112,700	120,900	128,100	135,000	142,100	150,900
Health care, social assistance	121,200	164,700	194,500	216,200	236,200	255,400	275,000	297,600
Arts, entertainment, recreation	24,100	30,400	35,700	39,600	43,100	46,400	49,900	53,900
Accommodation, food	75,800	78,800	87,200	91,800	95,700	99,400	103,400	108,500
Services not specified elsewhere	62,100	69,100	72,900	73,500	73,600	73,600	73,800	74,900
Public administration	59,300	81,800	88,200	90,700	92,500	94,200	96,200	99,300
Persons with no usual place of work	111,800	120,300	133,000	139,700	145,600	151,400	157,300	165,000

Source: C4SE-SPI

4.0 OFFICE EMPLOYMENT IN THE GTA AND THE CITY OF TORONTO

Figures 17a and 17b show the amount of office space available in 2011 in the City, the rest of the GTA and the GTA as a whole; the estimated number of jobs in office buildings in 2011 by industry; the percent share of all jobs in offices by industry in 2011 for each area; and the implied amount of office space that will be required in each area between 2011 and 2031 (Figure 17a) and between 2011 and 2041 (Figure 17b) to accommodate the C4SE-SPI base case projection of job growth by industry in each area as described above.[1]

The projections call for the total amount of office space in the GTA to increase from 200.49 million square feet by 41.51 million (21 percent) between 2011 and 2031 and by 57.71 million (29 percent) between 2011 and 2041. The projection foresees office space in the City increasing from 137.00 million square feet in 2011 by 20.69 million (15 percent) between 2011 and 2031, and by 29.49 million (22 percent) between 2011 and 2041.

Space in the rest of the GTA will increase from 63.49 million square feet in 2011 by 20.83 million (by 33 percent) between 2011 and 2031 and by 28.22 million (by 44 percent) between 2011 and 2041.

Figures 18a and 18b develop projections of new office space requirements for the City only between 2011 and 2031 (Figure 18a) and between 2011 and 2041 (Figure 18b) for each of the Low and High projection alternatives. By 2031 the Low projection results in a new office space requirement of 7.39 million whereas the High alternative results in a need of 28.48 million. By 2041 the Low alternative results in a new office requirement of 11.14 million square feet whereas the High alternative results in a need for 42.27 million. A comparison of the Low and High projections regarding new space required depicts how the greatest differences occur in finance, insurance and real estate; and in professional business services.

---

[1] The estimates of employment in offices by industry are derived using office space estimates by industry as of 2011 and assuming that 195 square feet of space is associated with each job. These calculations suggest that the number of jobs by industry in offices slightly exceeds the total number of jobs estimated for each of a few industries in 2011 (i.e. the office share exceeds 100 percent). While this clearly cannot be the case it should be recognized that the numerator in that calculation – jobs in offices – is based on space estimates and a rough estimate of space per job while the denominator – total jobs – is based on Census 2006 results augmented by growth GTA wide by more recent LFS estimates, then allocated to the City and the rest of the GTA based on other assumptions. The higher than 100 percent share in a few cases simply reflect the fact that these industries are predominantly accommodated in offices, and our projections appropriately assume they will continue to be so accommodated in the future.

In other words a key ingredient to the achievement of the High projection for the City is the creation of significant new office space of a calibre that will attract finance, insurance, real estate and professional business service jobs to the City.

Note that all of the office space projections here are based on the assumption that the share of jobs by industry located in offices in 2011 will prevail through to 2031 and 2041. It is possible that the office share could increase in the future in many industries. Thus even more new office space than indicated here may be required.

It should also be noted that the projections here do not take account of the possibility that a major office employer with significant space requirements currently located elsewhere might, at some point over the projection horizon, seek to locate in the City.

Figure 17a: Office Space and Office Jobs: City of Toronto, the Rest of the GTA and the GTA as a Whole 2011 and 2031

	Office Space 2011			Office Jobs 2011			Office Jobs % of Total Jobs 2011			New Office Space 2011 to 2031		
	City	OGTA	GTA	City	OGTA	GTA	City	OGTA	GTA	City	OGTA	GTA
Total	137.00	63.49	200.49	702,600	325,500	1,028,100	50	22	36	20.69	20.83	41.51
Primary	1.38	0.22	1.60	7,100	1,100	8,200	180	9	52	-0.38	-0.06	-0.44
Utilities	1.11	0.83	1.94	5,700	4,300	10,000	63	27	40	-0.02	0.25	0.23
Construction	0.88	1.11	2.00	4,500	5,700	10,200	15	10	12	0.20	0.56	0.76
Manufacturing	4.42	7.37	11.79	22,700	37,800	60,500	20	18	19	0.04	0.07	0.12
Wholesale trade	2.03	5.90	7.93	10,400	30,200	40,600	20	26	24	0.55	2.79	3.34
Retail trade	1.90	2.62	4.52	9,800	13,400	23,200	8	8	8	0.13	0.82	0.95
Transportation, warehousing	1.09	1.82	2.92	5,600	9,400	15,000	13	10	11	0.09	0.42	0.50
Information, cultural industries	15.55	6.82	22.37	79,700	35,000	114,700	113	115	114	-0.40	0.95	0.54
Finance, insurance, real estate	39.99	13.28	53.27	205,100	68,100	273,200	107	70	94	6.32	4.21	10.53
Professional, scientific, technical	25.53	10.63	36.16	130,900	54,500	185,400	71	38	57	7.16	5.09	12.25
Other business services	3.88	2.24	6.13	19,900	11,500	31,400	32	20	26	1.66	1.50	3.16
Educational	2.80	0.96	3.76	14,400	4,900	19,300	15	5	10	0.71	0.50	1.21
Health care, social assistance	3.51	1.12	4.63	18,000	5,700	23,700	11	5	8	1.56	0.84	2.40
Arts, entertainment, recreation	0.72	0.08	0.79	3,700	400	4,100	12	1	7	0.27	0.06	0.33
Accommodation, food	0.34	0.49	0.82	1,700	2,500	4,200	2	3	3	0.07	0.24	0.31
Services not specified elsewhere	12.40	2.26	14.66	63,600	11,600	75,200	93	17	55	0.73	0.63	1.35
Public administration	17.67	4.52	22.19	90,600	23,200	113,800	111	45	86	1.72	1.57	3.29
Not identified	1.79	1.21	3.01	9,200	6,200	15,400	0	0	0	0.27	0.40	0.67

Source: Re-Search Corp and C4SE-SPI

Figure 17b: Office Space and Office Jobs: City of Toronto, the Rest of the GTA and the GTA as a Whole 2011 and 2041

	Office Space 2011			Office Jobs 2011			Office Jobs % of Total Jobs 2011			New Office Space 2011 to 2041		
	City	OGTA	GTA	City	OGTA	GTA	City	OGTA	GTA	City	OGTA	GTA
Total	137.00	63.49	200.49	702,600	325,500	1,028,100	50	22	36	29.49	28.22	57.71
Primary	1.38	0.22	1.60	7,100	1,100	8,200	180	9	52	-0.57	-0.09	-0.66
Utilities	1.11	0.83	1.94	5,700	4,300	10,000	63	27	40	-0.07	0.30	0.23
Construction	0.88	1.11	2.00	4,500	5,700	10,200	15	10	12	0.30	0.80	1.10
Manufacturing	4.42	7.37	11.79	22,700	37,800	60,500	20	18	19	-0.28	-0.47	-0.75
Wholesale trade	2.03	5.90	7.93	10,400	30,200	40,600	20	26	24	0.73	3.74	4.47
Retail trade	1.90	2.62	4.52	9,800	13,400	23,200	8	8	8	0.19	1.11	1.30
Transportation, warehousing	1.09	1.82	2.92	5,600	9,400	15,000	13	10	11	0.13	0.56	0.69
Information, cultural industries	15.55	6.82	22.37	79,700	35,000	114,700	113	115	114	-0.47	1.24	0.77
Finance, insurance, real estate	39.99	13.28	53.27	205,100	68,100	273,200	107	70	94	9.24	5.83	15.07
Professional, scientific, technical	25.53	10.63	36.16	130,900	54,500	185,400	71	38	57	10.21	7.12	17.33
Other business services	3.88	2.24	6.13	19,900	11,500	31,400	32	20	26	2.54	2.24	4.78
Educational	2.80	0.96	3.76	14,400	4,900	19,300	15	5	10	1.10	0.74	1.84
Health care, social assistance	3.51	1.12	4.63	18,000	5,700	23,700	11	5	8	2.14	1.18	3.32
Arts, entertainment, recreation	0.72	0.08	0.79	3,700	400	4,100	12	1	7	0.42	0.08	0.51
Accommodation, food	0.34	0.49	0.82	1,700	2,500	4,200	2	3	3	0.10	0.34	0.44
Services not specified elsewhere	12.40	2.26	14.66	63,600	11,600	75,200	93	17	55	0.78	0.78	1.55
Public administration	17.67	4.52	22.19	90,600	23,200	113,800	111	45	86	2.60	2.19	4.79
Not identified	1.79	1.21	3.01	9,200	6,200	15,400	0	0	0	0.39	0.54	0.92

Source: Re-Search Corp and C4SE-SPI

Figure 18a: Low and High Projection Total Jobs, Office Jobs and Office Space: City of Toronto 2011 and 2031

	Total Jobs			Office Jobs			Office Space (msf)			Space Change (msf)		
	Actual 2011	Low 2031	High 2031	Est'd 2011	Low 2031	High 2031	Est'd 2011	Low 2031	High 2031	Low 2031	High 2031	High - Low
Total employed by place of work	1,532,700	1,650,900	1,925,300	702,600	740,500	848,600	137.00	144.39	165.48	7.39	28.48	21.08
Primary	4,000	3,200	2,800	7,100	5,700	5,000	1.38	1.10	0.97	-0.27	-0.41	-0.14
Utilities	9,100	8,700	8,900	5,700	5,400	5,600	1.11	1.05	1.09	-0.06	-0.02	0.04
Construction	30,400	33,700	39,300	4,500	5,000	5,800	0.88	0.98	1.14	0.10	0.26	0.16
Manufacturing	115,900	109,100	114,700	22,700	21,400	22,500	4.42	4.17	4.38	-0.25	-0.04	0.21
Wholesale trade	52,200	58,900	68,000	10,400	11,700	13,500	2.03	2.29	2.64	0.25	0.61	0.35
Retail trade	130,000	132,500	143,700	9,800	10,000	10,800	1.90	1.94	2.10	0.04	0.19	0.16
Transportation, warehousing	42,100	43,600	46,600	5,600	5,800	6,200	1.09	1.13	1.21	0.04	0.12	0.08
Information, cultural industries	70,600	67,500	71,600	79,700	76,200	80,800	15.55	14.87	15.76	-0.68	0.21	0.90
Finance, insurance, real estate	191,300	201,200	235,200	205,100	215,700	252,200	39.99	42.06	49.17	2.07	9.18	7.12
Professional, scientific, technical	184,100	208,000	248,300	130,900	147,900	176,500	25.53	28.85	34.42	3.32	8.89	5.58
Other business services	62,000	74,800	97,700	19,900	24,000	31,400	3.88	4.68	6.13	0.80	2.24	1.44
Educational	99,200	111,400	133,900	14,400	16,200	19,400	2.80	3.15	3.78	0.35	0.97	0.62
Health care, social assistance	163,700	193,800	253,300	18,000	21,300	27,900	3.51	4.15	5.44	0.64	1.93	1.29
Arts, entertainment, recreation	30,300	35,900	46,100	3,700	4,400	5,600	0.72	0.85	1.08	0.14	0.37	0.23
Accommodation, food	78,300	86,100	98,600	1,700	1,900	2,100	0.34	0.38	0.42	0.04	0.08	0.04
Services not specified elsewhere	68,700	69,800	73,000	63,600	64,600	67,600	12.40	12.60	13.18	0.20	0.78	0.59
Public administration	81,400	83,900	93,500	90,600	93,400	104,100	17.67	18.21	20.30	0.55	2.63	2.09
Persons with no usual place of work	119,400	128,800	150,100	9,200	9,900	11,600	1.79	1.93	2.26	0.14	0.47	0.33

Source: Re-Search Corp and C4SE-SPI

Figure 18b: Low and High Projection Total Jobs, Office Jobs and Office Space: City of Toronto 2011 and 2041

	Total Jobs			Office Jobs			Office Space (msf)			Space Change (msf)		
	Actual 2011	Low 2041	High 2041	Est'd 2011	Low 2041	High 2041	Est'd 2011	Low 2041	High 2041	Low 2041	High 2041	High - Low
Total employed by place of work	1,532,700	1,710,000	2,116,800	702,600	759,700	919,300	137.00	148.14	179.27	11.14	42.27	31.13
Primary	4,000	2,800	2,200	7,100	5,000	3,900	1.38	0.97	0.76	-0.41	-0.62	-0.21
Utilities	9,100	8,500	8,800	5,700	5,300	5,500	1.11	1.03	1.07	-0.08	-0.04	0.04
Construction	30,400	35,300	43,700	4,500	5,200	6,500	0.88	1.02	1.28	0.14	0.39	0.26
Manufacturing	115,900	105,700	113,800	22,700	20,700	22,300	4.42	4.03	4.34	-0.39	-0.08	0.31
Wholesale trade	52,200	62,200	75,700	10,400	12,400	15,100	2.03	2.42	2.95	0.39	0.92	0.53
Retail trade	130,000	133,700	150,200	9,800	10,100	11,300	1.90	1.96	2.19	0.06	0.29	0.23
Transportation, warehousing	42,100	44,400	48,700	5,600	5,900	6,500	1.09	1.15	1.27	0.06	0.18	0.12
Information, cultural industries	70,600	66,000	71,900	79,700	74,500	81,200	15.55	14.54	15.84	-1.01	0.29	1.31
Finance, insurance, real estate	191,300	206,200	256,500	205,100	221,100	275,000	39.99	43.11	53.62	3.12	13.63	10.51
Professional, scientific, technical	184,100	220,000	279,800	130,900	156,400	198,900	25.53	30.50	38.79	4.97	13.26	8.29
Other business services	62,000	81,200	115,400	19,900	26,100	37,000	3.88	5.09	7.22	1.21	3.34	2.13
Educational	99,200	117,500	150,900	14,400	17,100	21,900	2.80	3.33	4.26	0.53	1.46	0.93
Health care, social assistance	163,700	208,800	297,600	18,000	23,000	32,700	3.51	4.49	6.38	0.98	2.87	1.89
Arts, entertainment, recreation	30,300	38,700	53,900	3,700	4,700	6,600	0.72	0.91	1.28	0.19	0.56	0.37
Accommodation, food	78,300	90,000	108,500	1,700	2,000	2,400	0.34	0.40	0.48	0.06	0.14	0.08
Services not specified elsewhere	68,700	70,300	74,900	63,600	65,100	69,300	12.40	12.70	13.52	0.29	1.11	0.82
Public administration	81,400	85,200	99,300	90,600	94,800	110,500	17.67	18.48	21.55	0.82	3.88	3.06
Persons with no usual place of work	119,400	133,500	165,000	9,200	10,300	12,700	1.79	2.01	2.47	0.21	0.68	0.47

Source: Re-Search Corp and C4SE-SPI

2

APPENDIX 2: CASE STUDIES

TABLE OF CONTENTS

CASE STUDY 1: THE NATURE AND IMPORTANCE OF INDUSTRY AND EMPLOYMENT LINKAGES IN TORONTO

CASE STUDY 2: MANAGING THE IMPACTS OF LAND VALUE DIFFERENTIALS IN LAND USE CHANGE

CASE STUDY 3: MAINTAINING EMPLOYMENT OPPORTUNITIES IN THE FACE OF LAND USE CHANGE

CASE STUDY 4: AMENITIZATION AND MULTI-FUNCTIONALITY

CASE STUDY 5: THE CHALLENGES TO VERTICAL MIXING OF MULTIPLE USES

APPENDIX 2.1 CASE STUDY

The Nature and Importance of Industry and Employment Linkages in Toronto

Problem Statement

This case study is the first in a series of papers intended to explore key questions to be considered in shaping policy for employment uses in Toronto. It addresses the following questions:

- To what extent do the City's leading wealth-generating employment sectors sustain important customer/supplier linkages?
- Where are the jobs sustained by these linkages located?
- What are the multiplier relationships, and what are the impacts of job losses in the important base sectors?
- What are the implications to employment oriented planning policy?

Research Program

The research program responding to the above questions incorporated a review of current estimates of multiplier relationships in and across economic sectors, analysis of the economic relationships between industries as captured in Input-Output models of the Canadian economy, and econometric modeling of the structure of the Toronto economy based on the City's employment structure (Census employment by place of work) in 2006.

Observations

The City's Diverse Economic Base

Analysis described elsewhere in this study report points out that of the 1,336,500 jobs offered by employers in the City in 2006, some 408,300 – or almost one third – are economic base or wealth generating jobs. These jobs are found in industries that are producing goods and services for businesses and people mostly located outside the Greater Toronto Area in other parts of the province, the country or the rest of the world. These wealth generating jobs are at the core of the City's economic base, helping to sustain not only the City of Toronto but also the surrounding region. They are providing many of the GTA's residents with the wherewithal to provide themselves and their families with their daily needs in terms of shelter, nutrition, health, education and entertainment. Thus the area's population serving jobs depend on preservation and expansion of the City of Toronto's economic base activities.

- About one third (145,900) of the City's wealth generating jobs produce goods (most of them manufactured, a few from agriculture and mining) mostly consumed by businesses and residents outside of the GTA.
- The remaining two thirds of the City's economic base jobs are accounted for by exported service providers in such industries as finance, insurance and real estate (96,300 jobs); professional and other business services (80,000); tourism services (41,700); education and health services (33,800); and all other industries (10,800).

The main report makes it clear that the sum total of these industries is very important to the economic well-being of the City and the rest of the GTA, and that the diversity of this base is unparalleled in Canada.

Important Industrial Linkages

The main report does not articulate the extent to which these same industries are very important to each other. While the linkages that exist among them strengthen their importance to the City these linkages also threaten the preservation of that base. A few words of explanation are in order.

Manufacturing industries have long been pursued by communities world-wide because not only do they generate jobs at the sites they create, they also generate jobs in industries that supply them with raw and manufactured products and with financial, professional and other business services, all of which they need to create their own products.[1] As a result the employment multiplier for manufacturers can be anywhere from 1.0 to almost 3.0, meaning for each job created in manufacturing another 1.0 to 3.0 jobs are created throughout the range of suppliers to that industry. (Note that we are looking here only at the impacts of employment of a manufacturer on employment among its suppliers – the supplier or "indirect" impact effects – not at the impacts of the manufacturer's employees themselves on local spending – the re-spending or "induced impact" effects.)

---

[1] The multipliers here are based on Ontario Input-Output Multipliers 2008 produced by Statistics Canada (Industry Accounts Division, System of National Accounts), on Bivens, Joe, "Updated Employment Multipliers for the U.S. Economy (2003)", Economic Policy Institute, August 2003, and on Ryser, Laura et al, "Extracting the Value", Community Development Institute of the University of British Columbia, April 2008. The intent here is to provide an indication of the significant differences across the industrial spectrum regarding supplier employment multipliers, particularly the difference between high multipliers among manufacturers and low multipliers among most service providers.

Data for Ontario suggest that for manufacturing as a whole 1.2 jobs are created for every job in manufacturing.

Service providers also need goods and services from other industries to produce their products. But the wage bill of most service providers typically accounts for most of the industry's value-added. Inputs from elsewhere represent a small portion of the cost of producing the services they provide. All of which means the employment multipliers associated with most service providers are nowhere near those of manufacturers.

For example, the supplier employment multipliers for many such services are less than 1.0 meaning the original job in the industry in question leads to less than one other job among all its suppliers. This group includes transportation, wholesale trade and business services, each with multipliers at around 0.6 in Ontario; and retail trade, accommodation and food, and other services in Ontario all at around 0.2.

Several services generate significant supplier employment multipliers in Ontario: finance, insurance and real estate at 1.4; utilities at 1.0 and information at 0.8.

Of greatest interest here is that the City's economic base – with manufacturing, finance and insurance and business services accounting for almost 80 percent of the entire base – is concentrated among industries with high supplier employment multipliers.

Quantifying the Linkages for the City of Toronto

Using national input-output tables along with our report's estimates of the City's economic base employment by industry for 2006 we developed Exhibit 1. It portrays the overall "job" importance of each of these industry groups, including jobs producing the industry's own value added, plus jobs producing goods and services among supplier industries.

The rows measure the number of economic base jobs in each major industry found in the City in 2006. The columns indicate the number of jobs in each industry directly supported by that industry (see "Own" value added column) and indirectly supported by that industry through the purchase of goods or services from supplier industries. The table reveals, for example, that:

- The number of manufacturing jobs in the City was 142,000 in 2006. Of that total 41,000 generated the "own" value added of manufacturers.

Inputs purchased by manufacturers from other industries supported 52,400 jobs among other manufacturing industries; 22,400 jobs among primary industries; 7,700 jobs in logistics; 5,600 jobs among professional and other business services; and 3,700 jobs among finance and insurance industries (note that not all of these additional jobs would be found in the City, but likely many would).

- The supplier industries to manufacturers are industries which themselves are big players within the economic base of the GTA and the City, underlining the interdependence among the City's export based activities.
- In a similar vein many other of the City's major non-manufacturing economic base job generators are themselves major purchasers of inputs from the industries defining the City's economic base. Major export base services industries in the City – such as finance and insurance, professional services, other business services, and tourism – are major purchasers of inputs from this same group of industries.

The breadth of these linkages is indicated in Exhibit 1 by the large number of highlighted cells for these industries.

Exhibit 1: Economic Base Jobs by Industry in the City of Toronto
Total Jobs, Jobs of "Own" Value Added, Jobs of "Other" Value Added

	Total EB Jobs	Own Value Added	Jobs in Other EB Sectors							
			Prim.	Mfg.	Log.	BS	FIRE	E&H	Tourism	All Other
All Jobs	408,300	211,600	24,000	61,700	10,200	27,100	28,200	600	100	25,000
Primary	3,900	2,300	500	400	100	100	200	0	0	200
Manufacturing	142,000	41,100	22,400	52,400	7,700	5,600	3,700	0	0	5,200
Business Services	80,000	50,100	100	1,300	200	11,700	5,100	100	0	4,500
Finance, Insurance, Real Estate	96,300	65,300	500	500	200	5,800	12,500	100	0	7,700
Education, Health	33,800	24,800	100	900	200	900	2,600	100	0	2,200
Tourism	41,700	22,500	300	5,000	900	2,400	3,400	0	0	4,500
Other	10,600	5,500	100	1,200	900	600	700	300	100	700

Source: Statistics Canada 2006 Census, Input Out Tables and Calculations by SPI

Observations Regarding Employment Lands

As is clear in Exhibit 1, manufacturing multipliers are among the largest, and manufacturing output draws most heavily on inputs from other manufacturers. Given that most manufacturers are located on employment lands, this relationship demonstrates the importance and strength of the webs of supplier/customer relationships to the City's employment areas. Manufacturers leaving the City means a significant number of manufacturing, finance, business service and other jobs are also put at risk given the close linkages identified above.

While manufacturing output is expected to rise in the decades ahead, expansion will be driven by productivity growth vs. employment growth. But the space required to accommodate the manufacturing process in the aggregate is more likely to stay constant if not increase in line with output. Manufacturing's footprint in the City is not likely to decline in and of itself, but losses to other pressures will be multiplied across other employment areas and sectors at levels unlikely to be balanced by the new jobs that may come with redevelopment of former manufacturing sites.

Observations Regarding Office Jobs

Finance and business services are primarily located in offices. These two industries are also important to the City's economic base. Those finance and business service activities providing exported services – the big banks, the big law firms, etc. – are mostly located within the City's financial district. Similar to the case for manufacturing, the business services and FIRE sectors draw heavily on other firms in the same sectors for their inputs. Given these high supplier employment multipliers, it is evident that gaining new office jobs has relatively high leverage on attracting even more of the same.

The potential for job growth in these sectors is considerable, highlighting the benefits of success in an economic development/planning strategy that is successful in attracting a competitive share of these jobs to the City.

Guidance for Toronto

The review and analysis presented in this Case Study highlight both the importance of retaining manufacturing jobs and the lands that sustain them, and the benefits of continuing to attract new office jobs. This leads to three recommended directions for planning policy for employment uses:

1. Continue to be very careful in preserving viable employment lands – they continue to be the highest leverage contributors to the City's economic base, with strong linkages to other jobs in employment areas;
2. Accommodating and attracting office sector employment is a high leverage economic development strategy. Success will require the alignment of planning and other policy to facilitate office development (if not requiring it in appropriate circumstances) in proximity to the financial core;

3. Make consideration of multiplier impacts an express criterion in assessing the merits of proposals to redevelop lands supporting industrial and office lands uses.

Bibliography

Statistics Canada, *Ontario Input-Output Multipliers 2008*, Industry Accounts Division, System of National Accounts.

Bivens, Joe, *Updated Employment Multipliers for the U.S. Economy (2003)*, Economic Policy Institute, August 2003.

Ryser, Laura et al, *Extracting the Value*, Community Development Institute of the University of British Columbia, April 2008.

APPENDIX 2.2 CASE STUDY:

Managing the Impacts of Land Value Differentials in Land Use Change

Problem Statement

This Case Study explores the dynamics of land value/price differentials in land use change. The extent to which the value of land enables or precludes the development of certain types of uses—office, and particularly industrial—is an important dynamic in the geography of urban employment. The purpose of this Study is to identify possible policy directions for recognizing if not shaping those dynamics for the public good.

Land value differentials arise when value under an anticipated new use is higher than that driven by the current or permitted use plus the expected costs of realizing the new use. Anticipation of a new use is founded in normal cycles of decline and reinvestment, land use change in the vicinity, or the prospect of windfall gains relative to the risks in awaiting or driving changes in land use permissions.

On one hand, differentials are regarded as the positive, normal working of the market seeking to maximize returns to investment and the efficient use of capital. On the other, they are seen as a negative, creating pressures that might otherwise not arise for change out of economically important but lower land value generating (e.g., industrial) uses.

While historically of most concern regarding the displacement of industrial uses, the planning problem has several dimensions:

- Displacement of existing desired lower valued uses by higher return prospective uses (e.g., industrial pushed out by retail, house of worship or residential uses);
- Failure to attract reinvestment in lower valued uses due to lands being held from the market in anticipation of future land use change, or to land values and other frictional costs being too high relative to competitive locations;
- Failure for desired new uses (e.g., office) to materialize because alternative uses (e.g., high rise residential) would generate higher returns to land owners;

- A counterpart risk of development stasis when land use policy restricts permissions for land use change in circumstances where there is no market interest in the protected development opportunities.

Value differentials of course occur against a backdrop of longer term cycles of economic change rendering some historical uses and /or locations less and less viable, with an overlay of shorter term cycles driving pressures for change to enable the use considered most profitable at a point in time (e.g., commercial office space in the 1970's, medium and high rise residential in the 2000's.)

The challenge to land-use planning is to balance broad and sustainable city-building objectives against narrower or ad hoc decisions based on highest and best use of a specific parcel. Success requires finding balance between protecting valued functions on the lands that sustain them vs. enabling re-development and re-vitalization or transformation of areas in true decline, while sending the "right signals" to the marketplace so that values can be defined and behaviors shaped accordingly.

Research Program

Experience with land value differentials and planning approaches to manage their impacts are explored through a review of planning literature, anecdotal evidence and recent transactions in Toronto to better understand:

- Experience with value differentials driving or inhibiting land use change in other jurisdictions;
- The consequences of those changes;
- The circumstances in which land value differentials arise, or not; and
- Possible directions to pursue in finding an appropriate balance between more and less rigid planning policy interventions in the marketplace.

This Study focuses on the dynamics and higher level prescriptions for addressing land value differentials. The companion "*Maintaining Opportunities for Employment Uses*" paper (Appendix 2.3) explores policy solutions implemented in other jurisdictions to address differential and other pressures acting to limit the employment land base in cities.

Observations

Experience

On the industrial side, demand for industrial space is in decline in the established centres of many North American cities as facilities become obsolete, suburban sites become more attractive, and traditional manufacturing jobs move overseas. Multi-storey warehousing and manufacturing operations bounded by narrow streets in a city's core can restrict the capacity of a firm to expand. At the same time, new industry, technology and office employment are being attracted to suburban areas where they can often find lower taxes, bigger sites with more modern facilities, and better highway access. Overall, the share of manufacturing jobs is also in decline as the service-based economy continues to expand.

The shift of employment from urban centres to suburban areas can be seen in a number of major U.S. cities. In research on job sprawl in 98 of the largest U.S. metropolitan areas, Elizabeth Kneebone (2009) noted that, between 1998 and 2006, metro areas experienced a 2.1 % decrease in the share of jobs located within 3 miles (4.5 kilometres) of downtown, while experiencing a 2.6% gain in the share of jobs more than 10 miles (16 kilometres) from downtown. In 2006, in the same metro areas, only 21% of employees worked within 3 miles (4.5 kilometres) of downtown, while over 45% worked more than 10 miles (16 kilometres) from downtown.

In her research on two **New York** neighbourhoods, Greenpoint & Williamsburg and Long Island City, Laura Wolf-Powers documents the displacement of local industry that occurred largely as a result of mixed use zoning and lax planning policies that resulted in frequent conversion of land to its highest and best use.

Not only were many landowners gradually pricing out their industrial tenants, but many also moved to month-to-month leases, kept properties off the market in anticipation of commercial tenants or selling to residential developers, or issued evictions. At the same time, legal services offices in Williamsburg saw an increase in the number of meritless lawsuits filed by landowners to displace current tenants (Bloustein). Propagating this bidding up was a planning environment in which, between 1995 and 2002, more than 80 variances were granted to applicants seeking to rezone their industrial land to residential or convert industrial buildings to loft apartments (Wolf-Powers).

In 2005, the City of New York created 16 Industrial Business Zones (IBZs) to promote the retention of existing industrial areas and provide more certainty for industrial tenants. As part of the program, the City provides relocation tax credits to industrial businesses that relocate to one of the IBZs. Significantly, M-zoned (manufacturing) land inside IBZs are protected from rezoning, although the majority of the city's M-zoned land is still located outside of IBZs. At the same time however, other uses including hotel, office or large format retail are often permitted as of right in M-zoned land, in and outside of IBZs.

In **Seattle**, local industrial stakeholders identified a "lack of certainty and clarity concerning what criteria the City of Seattle uses to rezone industrial land to non-industrial uses", citing a disconnect between the broader policy in the City's Comprehensive Plan and the rezoning process. They further indicated that pressure on industrial lands is "pushing land costs up, forcing businesses out of Seattle or limiting their opportunities to expand, and prompting the increasing number of requests for the conversion of industrial lands to non-industrial uses." These were identified as creating a speculative climate that exacerbated the already high cost of centrally-located employment lands and made it difficult for businesses to locate or expand in the city.

The Mayor's Recommendations on Seattle's Industrial Lands (2007) aimed to calm concerns among industrial operators by "lowering the expectations" of non-industrial users and controlling conversion to non-industrial uses. This was to be achieved by creating Manufacturing/Industrial Centers, where residential uses would be restricted. Furthermore, the Mayor recommended reducing the maximum size of non-industrial uses on a site within these centres, both in terms of square footage and Floor Area Ratio (FAR), to better reflect the size and FARs of modern industrial users. Recommendations also included discouraging the City and other public entities from developing non-industrial uses in Manufacturing/Industrial Centers.

Similar pressures were noted in **Baltimore**, particularly around the harbour and port facilities. Here, "perceived uncertainty with regard to the city's commitment to supporting industrial activity placed Baltimore at a disadvantage for retaining and attracting industrial companies" (Leigh and Hoelzel, 92). In areas near Baltimore's deep water port, encroachment from office and residential developers gave the impression of "crowding out traditional port-users," thereby discouraging potential companies wanting more long-term certainty for their operations. At the same time, this encroachment led to greater demand and raised the cost of land and buildings, "in some cases pricing out the industries that cannot afford to match the prices paid by office or residential developers" (Bay Area Economics, iii). The city responded with a comprehensive industrial land use study in 2004.

On the office side the **City of Vancouver** has outlined some of the challenges in promoting more office space in the Metro Core in order to create a balance between jobs and residents:

> *"Our survey of Downtown businesses during the Metro Core Study revealed that most businesses prefer commercial-only buildings. Moreover, our biggest office developers generally do not invest in mixed use buildings that have a strata component because they need to retain their asset over the long term. There are also structural and design challenges that create inefficient office floor plates due to the provision of separate residential and commercial elevator cores. Most importantly, mixed use zoning increases land values to the point where office projects require residential in order to be viable." (City of Vancouver)*

While the Vancouver reports a steadily growing employment base in its metro core, with more than two thirds of all of the city's jobs, rapid residential development still outpaced non-residential development threefold in the core between 2001 and 2005. Downtown office vacancy rates in Vancouver are around 4.5%, lower than the 7% considered a healthy market (City of Vancouver, 2012, 2011).

To ensure that there is a continued supply of office employment lands, the City has mandated a minimum office Floor Area Ratio in a defined downtown area, and has identified office as a required use within a portion of the Cambie Street Transit Corridor south of the downtown area (see Case Study 2 – Preserving Opportunities for Employment Uses). City staff have also identified a need to remind the market of mandated approvals requirements to temper value increases in the light of new permissions in transit corridors.

In the case of **Los Angeles** in the mid 2000s, large industry was leaving the city core "due to high taxes, high rents, traffic congestion, poor infrastructure, small parcel sizes and obsolete buildings." Pressure from residential developers that "bid up the price of industrial land making its re-use infeasible" played only a small role in the industrial exodus, as even a decade earlier when land was available at half or even a quarter of the price, no major manufacturers opened new facilities downtown. In this case, the preservationist policies Los Angeles had put in place for its downtown industrial land were restricting growth in other sectors, which had the potential to bring new high paying jobs through mixed use development. At the same time, the economics and obsolescence of downtown industrial space could not attract investment in manufacturing and other industries (CBRE, 2007).

To strike a balance between preserving employment lands and providing opportunities for new sectors to locate downtown, Los Angeles continued to protect a large portion of their downtown industrial lands while also promoting the adaptive reuse of outmoded industrial buildings. An industrial zone economic report from 2007 concluded that by taking advantage of converting obsolete and underutilized space, Los Angeles could provide homes for 100,000 residents on only 10% of its downtown industrial land (CBRE). Additionally, the redevelopment of existing obsolete industrial buildings made more economic sense when converting to mixed use than when adapting to modern industrial needs.

Toronto's experience with the removal of strict employment use restrictions in its King-Spadina and King-Parliament districts has become a textbook example of the reinvestment and vitalization benefits from freeing outmoded employment lands from stasis.

Similar observations regarding the importance of low-value land uses such as industrial to a city's larger economy can be observed in major international cities. In **London, England**, for example, a series of 59 Strategic Industrial Locations were identified in The London Plan and protected against rezoning to ensure a stable base of affordable land in the city. The Strategic Industrial Locations consisted of two types of land—Preferred Industrial Locations and Industrial Business Parks—which each had their own set of criteria for development approvals. London's efforts to protect industrial land comes even as projections indicate the number of industrial jobs in the city will be less than a third of what they are today. Surplus industrial land will potentially be used for mixed uses, including housing, and urban redevelopment.

In **Sydney, Australia** a similar policy framework was established at the Metropolitan level to ensure adequate land supply for economic activity until 2036. Unlike London, Sydney still projected an increase in the scale of manufacturing jobs, although a decrease in the share of manufacturing in the employment profile of the city. Sydney calls for an Employment Lands Task Force of industry and government representatives to both identify new employment lands, primarily greenfield areas in West Sydney, and protect existing employment lands. Sydney notes, "some long established employment lands are coming under pressure to be rezoned for other uses, including commercial or residential. However, existing and additional employment land is important to support key regional industries sustaining Sydney's economy such as freight, logistics, warehousing, manufacturing and high-technology industries." As such, the plan recommends that more detailed planning efforts identify strategic employment lands and develop a consistent approach to granting conversion using a strategic assessment checklist. This process both emphasized the importance of the employment lands while allowing different localities an opportunity to adjust with changing economic conditions.

Consequences

While urban economics are changing and some older industrial areas have grown obsolete, it is nonetheless important to understand the broader implications of wholesale conversions of a city's employment lands to residential or mixed uses. Leigh and Hoelzel point out, "…losing productive industrial land is similar to losing productive farmland. Once it is converted it is often difficult, if not impossible, to reclaim it." With land rarely converting to the lower order industrial use, both the amount of industrial land and the jobs that land can support are finite, as industrial land does not often offer the same opportunities for intensification as other uses.

Industrial activity makes up a key part of a city's economic base, creating spinoff jobs, and contributing to exports. As Bay Area Economics idenitfied in their industrial land use analysis in Baltimore:

> *"Manufacturing and other industries that serve larger markets than just the city are critical economic engines. They bring new dollars to the local economy from the industrial customers that live beyond its borders. This gives these businesses an important "multiplier effect" – new jobs and income are created throughout the local economy by the wages they pay their employees and their purchases of materials and services. The long-term viability of industry in the city depends on having appropriate and competitive sites and conditions that allow industry to operate profitably" (BAE, 2004)*

Similarly, Leigh and Hoelzel observed that manufacturing "remains the largest export sector and still has the highest economic multiplier of any sector" (Leigh and Hoelzel, 89) (see also the *Linkages* Case Study in Appendix 2.1).

Industrial activity brings balance to a local economy by contributing to a diverse employment profile and promoting neighbourhood stability. Industry can be a source of good-paying jobs for non-English speakers or those with little education, leading to a "more acceptable distribution of wealth" (Wolf-Powers, 12). At the same time, the presence of industry helps stabilize land values in mixed use neighbourhoods and "relieves gentrification pressures and preserves affordable working-class living environments" (Wolf-Powers, 28). On a broader scale, industry and other sectors common to employment areas, such as design and the arts, can help prevent overspecialization that may make a city vulnerable to fluctuations in market conditions. Even further, these essential industries can "incubate and support the much sought-after "creative economy" which public officials exalt" (Wolf-Powers, 28).

In many cities, the changing geography of employment areas has resulted in "job sprawl", or the distribution of jobs from the city to low density suburban areas that are not well-served by transit. San Francisco is one of the most decentralized large employment centres in the U.S. with 57.3% of its job share more than 10 miles from its core (Kneebone, 2009). The San Francisco Planning and Urban Research Institute argues that this "job sprawl" partly contributes to the growing share of residents who drive alone to work and the decreasing share of residents who take transit, a trend that has been consistent since the '80s. With decisions to take transit based more on where one works than on where they live, linking employment areas with transit is a key piece in reversing this trend (SPUR, 2009).

The economic impacts of sprawl, especially in terms of transportation and infrastructure costs, have been well-documented. In the case of job sprawl, the geographic separation of residents and jobs results in more congestion, longer commute times and reduced transportation options. A shift to low density employment areas can result in higher construction and operating costs for water and sewer infrastructure. Likewise, job sprawl can result in more vehicle kilometres travelled for the average resident, thereby raising greenhouse gas emissions (Kneebone, 2009).

Perhaps less well-understood are the social impacts of moving employment to suburban areas that are not well-served by transit. Spatial Mismatch Theory suggests that this shift can disadvantage the urban poor and new migrants who locate in downtown areas. If entry-level or long-term employment opportunities shift towards the suburbs, these residents have more difficulty accessing and sustaining employment (Kneebone, 2009). Furthermore, where jobs (including both industrial and office) locate in single use, low density areas, firms can lose competitive advantage for attracting and retaining staff if they cannot offer access to the same amenity and transportation options that exist in downtowns.

Land Value Impacts in Toronto

A definitive assessment of specific instances in which land use change lifted (or did not) surrounding land values as expressed through sales transactions was beyond the scope of this study. There are anecdotal references to practise by Ontario's Municipal Property Assessment Corporation (MPAC) whereby it ascribes higher assessment values to continuing industrial uses of properties adjacent to former industrial sites redeveloped for higher valued uses. This clearly acts as some degree of incentive to change land use, and represents a significant disconnect from planning objectives and policy. Its prevalence is not explored in this study either, but appears to warrant its own analysis and redress.

The question of whether transaction values might reflect an expectation of windfall returns was explored by comparing recent sale prices in areas considered "stable" vs. others considered to be under higher pressure for land use change. Cushman & Wakefield examined industrial building sales data for three "traditional" industrial areas to indicate baseline property values: Rexdale, Tapscott/Marshalling Yard, and Dufferin Keele North. Two "transitioning" areas were examined: Liberty and South of Eastern.

The sales data (25 total transactions) for buildings in the three "traditional" areas indicates a relatively tight range of pricing from roughly $40 to $90/sq. ft. for most properties, for sales since 2010. Outliers exist where a building was fully vacant (low priced) or was acquired by an owner-user (higher priced – willing to pay in excess of a real estate investor looking for an income return from leasing to tenants). The adjusted average sale price in Rexdale was $57/sq. ft., was $67/sq. ft. in Tapscott/Marshalling Yard, and was $72/sq. ft. in Dufferin Keele North.

In contrast, industrial building sales data for South of Eastern indicate a different pricing standard. However, it is noted that in each of the six sales, the purchaser acquired the building for their own use, not as an income property investment. Overall, the adjusted average sale price was $167/sq. ft. There were no industrial building sales recorded in Liberty during the past several years.

In comparing South of Eastern to the "traditional" industrial area examples, it is noted that all of the sales in South of Eastern were for relatively small properties (2,600 to 20,350 sf in size). In Rexdale, Tapscott/Marshalling Yard and Dufferin Keele North, the smaller properties tended to achieve among the highest prices on a/sq. ft. basis – so this trend holds true – although there is a significant price variation between South of Eastern and the other "traditional" areas, which is at least partly attributable to the value of centrally located land in the City of Toronto.

Industrial Building Sales - Rexdale

Address	Building Size (sq. ft.)	Price	Price ($/sq. ft.)	Sale Date
106 Vulcan Street	101,000	$4,722,300	$47	Apr-12
110 Vulcan Street	66,342	$2,800,000	$42	Sept-11
314 Rexdale Boulevard	55,000	$3,200,000	$58	Sept-11
361 Attwell Drive	71,450	$4,500,000	$63	Jul-11
195 Bethridge Road	70,900	$3,310,000	$47	May-11
70 Disco Road	98,792	$6,200,000	$63	Mar-11
35 Precision Road*	30,019	$4,175,000	$139	Jan-11
45 Disco Road	30,000	$2,525,000	$84	Jan-11
8 Tidemore Avenue	123,000	$4,900,000	$40	Oct-10
252 Brockport Drive	51,850	$3,575,000	$69	Jun-10
106 Vulcan Street*	104,300	$1,500,000	$14	Apr-10
		Average	$61	
		Adjusted Average*	**$57**	

** Two outlier sales are excluded from the adjusted average calculation.*

Industrial Building Sales - Tapscott/Marshalling Yard

Address	Building Size (sq. ft.)	Price	Price ($/sq. ft.)	Sale Date
71 & 81 Maybrook Drive	209,061	$15,225,000	$73	Jan-12
145 Dynamic Drive	42,400	$3,742,107	$88	Nov-11
115 Select Avenue	15,550	$1,475,000	$95	Feb-11
440 Passmore Avenue	187,350	$11,500,000	$61	Dec-10
345 Passmore Avenue	93,441	$4,842,775	$52	Nov-10
875 Middlefield Road	126,590	$5,424,778	$43	Nov-10
335 Passmore Avenue	63,353	$3,701,358	$58	Nov-10
		Average	$67	
		Adjusted Average*	**$67**	

** No sales are excluded from the adjusted average calculation.*

Source: Cushman& Wakefield, RealNet.

Industrial Building Sales - Dufferin Keele North

Address	Building Size (sq. ft.)	Price	Price ($/sq. ft.)	Sale Date
425 Alness Street*	90,717	$2,500,000	$28	Mar-12
346 Wildcat Road	62,610	$3,635,000	$58	Nov-11
158-182 Limestone Crescent	30,618	$2,060,000	$67	Oct-11
1001 Petrolia Road	23,000	$2,200,000	$96	Aug-11
75 Brisbane Road*	9,900	$1,240,000	$125	Jan-11
65 Alness Street*	15,050	$1,806,000	$120	Jan-11
200-214 Dolomite Drive	67,000	$4,462,471	$67	Dec-10
250 Canarctic Drive	27,450	$1,975,000	$72	Nov-10
573 Alness Street	111,100	$6,300,000	$57	Jul-10
60 Martin Ross Avenue	15,000	$1,400,000	$93	Jun-10
77 Martin Ross Avenue	20,000	$1,175,000	$59	May-10
115-133 Limestone Crescent	19,751	$1,620,000	$82	Mar-10
		Average	$77	
		Adjusted Average*	**$72**	

** Three outlier sales are excluded from the adjusted average calculation.*

Industrial Building Sales - South of Eastern

Address	Building Size (sq. ft.)	Price	Price ($/sq. ft.)	Sale Date
914 Eastern Avenue	7,550	$1,620,000	$215	Dec-11
24 Carlaw Avenue	20,350	$2,400,000	$118	Jun-11
121 Logan Avenue*	2,600	$1,065,500	$410	May-11
3 Carlaw Avenue	14,000	$1,500,000	$107	Jun-10
9 Dibble Street	10,350	$2,350,000	$227	May-10
415 Eastern Avenue*	5,218	$2,300,000	$441	Aug-08
		Average	$253	
		Adjusted Average*	**$167**	

** Two outlier sales are excluded from the adjusted average calculation.*

Source: Cushman& Wakefield, RealNet.

Overall, and recognizing the sample size, there is no clear evidence of land value differentials observable within the "transitioning" area of South of Eastern versus some of the City's more "traditional/stable" industrial areas that can be attributed to land use changes in proximity to the established industrial properties.

Anecdotally, the study team is advised that developers of retail properties with approvals hurdles in Toronto's Employment Districts will only acquire new sites priced at or near an employment land vs. retail value. The risks, uncertainties and timelines inherent in the approvals process are too great to support a higher purchase price. This indicates that the City's current policy framework is working to limit value differentials and their potential to drive further land use change (MPAC valuations aside). It further suggests that, at least as far as retail is concerned, a market seen as under-stored, common location requirements, larger parcel sizes and relative ease of assembly will continue to focus attention on opportunities to redevelop current employment lands.

On this basis, there is risk that any blanket permissions for retail would trigger immediate land price adjustments, and incentive for employment land owners to capitalize and relocate.

Circumstances Supporting or Inhibiting Value Differentials

The preceding review of experience identifies circumstances that can support or inhibit land value differentials. Those that support pressures for unwanted change, or impede desired change are:

- A decision environment that by design or happenstance favours site-specific merits or arguments over broader questions of the greater public good;
- Unclear or overly flexible policies or criteria;
- Unclear boundaries;
- Unspecified minimums for lower-valued uses in a mixed use environment;
- Ambiguous decision records, whether arising from Council decisions inconsistent with staff recommendations, or appeal body decisions inconsistent with Council decisions. Both create uncertainty and the prospect of an outcome favouring an applicant for land use change.

Circumstances that inhibit pressures for unwanted change are essentially the reverse of those above:

- A decision environment guided by a broader concern for the public good over, or at least equally with, the specifics of a particular application;
- Clearly stated policies or criteria for decision-making;
- Clearly defined boundaries within which policies or criteria will be consistently applied;
- Specification of minimum requirements for desired development components in mixed-use areas;
- Unambiguously consistent decision records that send clear signals about the prospects for new development applications that do not conform to stated requirements.

All that said, it is axiomatic that planning policy lags emerging market trends or cycles. A clear definition of absolutes needs to be balanced with more flexible adaptability to change. The policy solution to the risk of development stasis may therefore lie in balancing preservationist policy with ongoing monitoring of the vitality of subject districts, and a readiness to engage in "strategic triage." This would permit restrictive policy treatments to change on evidence of new realities identified through defined plan review cycles or as prompted by unforeseen events – e.g., new higher order transit route decisions, departures of significant employers from smaller industrial areas.

Guidance for Toronto

Policy directions to consider for application (or continued application) in the Toronto setting include:

1. **Frame policy seeking to maintain opportunities for employment uses in the broad context of sustainable city-building and the need to address economic, fiscal, social and environmental objectives.**

The highest and best use for a single parcel of land does not necessarily translate into the best use at the neighbourhood or city level. As Wolf-Powers observes, "property-led economic development hews closely to the philosophy that any given parcel of land should be put to its highest and best use, but this principle, applied over and over, may create diseconomies for a city as a whole." She argues that "rather than treating them as individual applications or rejections of the "highest and best use principle," planners should view re-zoning and redevelopment actions in the context of their impact on the economy of a city or region as well as in terms of their effects on a variety of residents."

2. **Be as definitive as practically reasonable in describing requirements, expectations, boundaries and criteria.**

Part of creating a predictable planning environment for employment areas is developing and consistently enforcing an appropriate set of criteria for employment land conversion. Cities such as Baltimore have recommended conversion of employment areas that meet specific criteria (e.g. small sites without good access, historic buildings not suitable for industrial re-use, etc.) to stimulate development in these areas, while protecting sites suitable for long-term industrial use.

Clear boundaries and criteria (backstopped by political will – see item 5 below) could arguably have been highly effective in damping the behaviours and outcomes described by Bloustein and Wolf –Powers for New York at page A2.2-3 above.

3. **Specify minimums as appropriate to achieving supply of desired components in mixed use settings.**

Adopt the Vancouver model of specifying or targeting minimum floor space components for office and perhaps retail elements in mixed use redevelopment in appropriate settings (e.g., Downtown, Centres, edges of Business Parks, high order transit stops, mobility hubs).

4. **Be strategic in delimiting areas that should be protected from land use change, those in which selected change can occur subject to criteria, and those in which change can occur on a more as-of-right basis.**

While land use change is perpetual, and older industrial areas are generally under the strongest pressures for renewal, a strategic approach to change management and preservation of employment opportunities can be constructed, much as is largely already in place in Toronto.

The most stringent exclusions of uses that would prompt value differentials should be applied to the largest, most robust and/or self-contained employment areas. Permissions for non-industrial uses along major street arterial edges should continue to be subject to strict criteria and review. These restrictions should stay in place until reviewed on five year OP review cycles.

Significant concentrations of employment land that are experiencing high orders of vacancy (e.g., 25% +) create opportunities to modify policy in a strategic manner, through either a staged shift in area boundaries, or modifications to policy that set new criteria for permitted re-development, most particularly the continued provision of an office or other employment element.

The inevitability of decline and renewal in smaller or less coherent or robust employment areas under significant pressure for change should be recognized. Policy in these areas could permit redevelopment subject to specific criteria. A prime concern would be the minimization of conflicts with or new cost burdens on existing employment users. Responsibility for resolving or mitigating potential impacts should be lodged with the new use. Change would be permitted in the so-regulated areas whenever criteria were fulfilled, without awaiting OP reviews.

As-of right permissions for new uses need to be carefully considered. They are most appropriately applied, as they are currently, to Avenues and Mixed Use areas that do not have particular strengths as locations for non-population serving employment.

5. **Stress the importance of consistency in decision-making and the impacts of uncertainties created by inconsistency.**

Whether formally or otherwise, decision-makers need to be constantly reminded that consistency is critical in sending clear signals to the market on what will and will not be accepted, where, and why.

Bibliography

Bay Area Economics (2004). *Industrial Land Use Analysis: City of Baltimore, Maryland.* Prepared for the Baltimore Development Corporation, January 28, 2004.

Bloustein, Edward J. (2007). *Gentrification and Rezoning: Williamsburg-Greenpoint*, slideshow as part of Rutgers University Community Development Studio. Available at http://policy.rutgers.edu/academics/projects/studios/Williamsburg07r.pdf

Canadian Urban Institute (2011). *The New Geography of Office Location and the Consequences of Business as Usual in the GTA.*

CBRE Consulting (2007). *Industrial vs. Mixed-Use Zoning: Economic Impact and Job Creation.* Prepared for Los Angeles: Central City Association. Available at http://ccala.org/downloads/LegAffrsPublications/Industrial_Zoning_Econ_Report.pdf

The City of Vancouver (2012). *Metropolitan Core Jobs and Economy Land Use Plan.* Accessed March 5th, 2012. Available at http://vancouver.ca/commsvcs/planning/corejobs/index.htm

City of Vancouver (May 12, 2011). *Memo to Mayor and Council: Job Lands Development Update*. Available at http://vancouver.ca/commsvcs/planning/corejobs/pdf/11may12memotoCouncil.pdf

Cushman and Wakefield LePage, Inc. (2008). *Employment Lands Strategy: Surrey, British Columbia*. Prepared for the City of Surrey. Available at http://www.surrey.ca/files/ELSFINAL.pdf

Economic & Planning Systems, Inc. (2008). *Industrial Land Use Analysis for the City of Fremont General Plan Update*. Prepared for the City of Fremont, California, April 2008. Available at http://www.fremont.gov/DocumentView.aspx?DID=647

Greater London Authority. *The London Plan – Spatial Development Strategy for Greater London*, July 2011.

Kneebone, Elizabeth (2009). *Job Sprawl Revisited: The Changing Geography of Metropolitan Employment*. Metro Economy Series for the Metropolitan Policy Program at Brookings. Available at http://www.brookings.edu/reports/2009/0406_job_sprawl_kneebone.aspx

Leigh, Nancey Green & Hoelzel, Nathanael Z. (2012). *Smart Growth's Blind Side: Sustainable Cities Need Productive Urban Industrial Land*. Journal of the American Planning Association, Volume 78, Issue 1, pages 87-103. Available at: http://www.tandfonline.com/doi/abs/10.1080/01944363.2011.645274

Newberg, Sam. Urban Land Institute. (2001). *The Incredible Shrinking Office Space – Fact or Fantasy?* August 24, 2011. Available at http://license.icopyright.net/user/viewFreeUse.act?fuid=MTU0MjA4NjY%3D

New South Wales Government. (2010). *Metropolitan Plan for Sydney 2036*, December 2010.

The Planning Partnership, Cushman & Wakefield (2012). Central Industrial Areas Land Review Presentation, February 2012.

San Francisco Planning and Urban Research Assocation (2009). *Job Sprawl in the Megaregion: How can we slow the decentralization of work in Northern California?* In *The Urbanist*, September 2009. Available at http://www.spur.org/publications/library/article/job_sprawl_megaregion

Wolf-Powers, Laura (2005). *Up-Zoning New York City's Mixed Use Neighbourhoods: Property-Led Economic Development and the Anatomy of a*

Planning Dilemma. University of Pennsylvania Scholarly Commons, 1 – 18.
Available at http://repository.upenn.edu/

This Page Left Intentionally Blank

APPENDIX 2.3: CASE STUDY

Maintaining Employment Opportunities in the Face of Land Use Change

Problem Statement

Whether driven by cycles of decline and renewal or simple competition for sites supporting uses with similar location needs or wants, employment lands[1] are often under pressure for land use change. It is also becoming evident in some urban areas that pressures to intensify or simply respond to market demand are resulting in a narrow market focus on high density residential condominium development, to the exclusion of office commercial if not retail uses in mixed use and downtown areas. The outcome of both is a reduction in the land base available for sustaining employment into the future. The core problem is that of maintaining employment opportunities for a city's residential population, to balance live/work relationships and support a host of related planning objectives. The problem looms larger where population is growing more quickly than employment, and takes on a fiscal dimension where non-residential assessment is replaced by residential.

This case study is the third in a series of papers intended to explore key questions to be considered in shaping policy for employment uses in Toronto. It addresses the following questions:

- What approaches have other municipalities taken to address pressures for land use change in employment areas?
- To what extent is the maintenance of a land base for office employment showing up as an issue, and how is it being addressed?
- What land use planning policy or other solutions are being implemented in response to identified concerns?
- What guidance can be applied to the Toronto setting?

Research Program

The research program focussed on a review of literature and policy describing experience and approaches in Canada, the United States, and other international cities. Particular emphasis was on conversion of industrial to retail and residential land uses, and on the alienation of office development opportunities in mixed use or downtown areas. The cities analyzed include: Calgary, Vancouver, Metro Vancouver, New York, Chicago, Sydney Australia, and London England. The program utilized for each municipality analyzed was the same, consisting of:

---

[1] A term generally interpreted to capture those lands intended to support industrial, warehousing and related uses, including ancillary retail, service, and varying degrees of office uses in business park vs. mixed use or downtown settings.

- Review of relevant background studies
- Review of policy documents; and
- Follow-up discussions with local planners and planning consultants in Vancouver and Calgary.

A summary of the policy initiatives utilized by each city to address employment land pressures is provided at the end of the Observations section following.

Observations

Calgary

The City of Calgary has been and is anticipated to experience significant population and employment growth. This has brought increased demand for employment lands generally, and pressure for residential and other non-conforming uses seeking locations in inner urban industrial areas of the City. Several initiatives have been undertaken to address these pressures, as well as another to understand head office location dynamics.

Calgary's **Employment Areas Growth & Change 2010** report is part of the ongoing *Monitoring Growth and Change Series*, intended to be used to better coordinate municipal capital investment priorities in the growing areas of the City. This particular report includes two triennial publications (one in 2010 and one in 2013). The 2010 report assessed the total built space and distribution of the City's industrial and commercial (retail and office) areas. It used updated industrial surveys and land supply information, as well as the City's assessment records to map city wide employment lands. The 2013 report will update the 2010 data and findings and will provide a long term perspective on employment area growth and change.

The Employment Areas Growth & Change Report noted that a 2007 annexation by the City resulted in an increased inventory of vacant land, (4,353 ha) which could be available for future industrial development (a 40-45 year supply). It was also reported that the anticipated 5 year demand for City wide industrial land (450-533 ha) could be met from the immediate (fully serviced) inventory mainly supplied from sites available in the Northeast, Northwest, and Southeast Industrial Sectors. It was concluded that sufficient planned land supply was in place for more than the 15 years required by policy.

The Central Industrial Land Review is a comprehensive industrial and employment areas review focussed on older industrial areas ringing the downtown area. It is structured in two phases: Phase 1 Assessment and Phase 2 Creating a Picture of Future Requirements. Phase 1 concluded with a report to City Council in December 2011. Phase 2 is in process. The overall results of the review are intended to assist Calgary in formulating future plans and strategies for the potential retention, redevelopment and provision of industrial land, specifically in the central and developed areas of the City.

Phase 1 results determined that Calgary had an industrial inventory of approximately 108 million sq.ft. with 23% of that in the Central Area. As of the last quarter of 2011, the average vacancy rate was 4.7% with lower levels found in the Central Area and higher ones in the Northeast. Peak building periods for industrial construction were during the 70's and early 2000s with 65% of present-day inventory having been built prior to 1980. Concerns raised about the impacts of land use conversion included: decreased diversity of the industrial land base; destabilizing effect on adjacent lands and uses; disruptive nature to existing uses/operations, and worsening existing interface conflicts. The report did not address provisions or include conclusions regarding large scale retail formats. The overall conclusions of this report include:

- Low vacancy rates, high achievable rental rates, and an ongoing stream of building permits issued indicated a healthy industrial market;
- Aging industrial building stock and lower ceiling heights in older areas may deter more modern industrial users. It was suggested that these older buildings were prime opportunities for conversion to other compatible non-industrial uses;
- There is a need for policy to protect the central industrial areas land base in the face of pressures for conversion to other uses more desired by the community;
- The existing zoning framework is vague and confusing with some policies too restrictive and others too permissive.

The Phase 1 report recommended four objectives for policy going forward:

1) Protect lands which are economically healthy;

2) Assess where, and under what circumstances – lands may be considered for conversion;
3) Identify mechanisms to improve existing interface conditions; and
4) Promote a comprehensive application review process[2].

To achieve these objectives, five key actions were identified:

- Prepare an amendment to the Municipal Development Plan;
- Prepare an outline for the preparation of Area Development Plans (ARPs) for the inner urban employment districts;
- Review the Land Use Bylaw to ensure that no residential uses of any kind are permitted, that the list of permitted uses are reflective of the intent of the Industrial General designation and to establish an industrial activity rating system that requires minimum distance separations from sensitive land uses;
- Develop a better understanding of the interface issue to ensure that these are not used to justify the conversion of any land use, and that all the tools available are being utilized to improve existing interface incompatibilities; and
- Establishment of a staff implementation team charged with the above tasks.

The Phase 2 Creating a Picture of Future Requirements report was expected to go to Council in the Spring of 2012. It is noteworthy that Calgary sees significant value in preserving the functionality of the inner city employment lands notwithstanding a significant inventory of greenfields land for future expansion.

The City discourages large-format retail within its Standard Industrial designated areas. However, there are certain areas in the city such as the Stoney Creek Industrial Area which are subject to local policy plans ("Area Structure Plans"), which permit capped large scale retail within designated locations. Prior to the completion of the Revised Stoney Creek Industrial Area Structure Plan in September, 2009, the City commissioned a Commercial and Industrial Demand Analysis for the area. The report included a forecast of industrial, commercial, and office space requirements to 2020.

Recommended Direction for City-Wide Commercial Retail Policy, March 2009 was a regional examination of the City's existing commercial retail market.

---

[2] Pg 23-27 The Planning Partnership, Cushman & Wakefield, *Central Industrial Areas Land Review Presentation*, February 2012.

It provided recommendations regarding retail development, and defined a city wide commercial strategy. The study recommended large scale retail development where appropriate. The Retail Development Trends in North America section of the study concludes:

- *Large power centres will still be an influential retail development format as convenience and precision shopping are prevalent. However, power centres will lose its dominance over time as an over-built scenario of this format has already occurred in key US markets, similar to the no growth situation already being experienced by enclosed malls.*
- *As the saturation of large-scale stores reaches its peak, the sizes of stores will tend to be smaller as the availability of large sites, as well as the change in market conditions and consumer behaviour, will see patrons and retailers "go back" to the more localized, smaller store.*[3]

Calgary's interest in preserving office opportunities underlies its **Homebase: What Drives Head Office Locations and Calgary's Place as a Global Business Hub?** (August 2010) report. This was intended to determine why head offices choose Calgary, how they impact the economy and what can be done to support and foster growth for the head office function. It included an overview of head office activity and a summary of the number and locations of the head offices within the City.

The Homebase study determined that the logic behind headquarters location decisions is complex. Major contributing factors for locating within Calgary included access to a qualified workforce and international markets, a well-developed and low cost business environment with excellent infrastructure, and an innovative environment[4]. The report observed that the resulting impacts of location within Calgary included: higher salaries for employees; the proximity of high quality business, financial, creative and consulting service providers; the potential for greater retail spending; and increased charitable giving, "just to name

---

[3] Pg 40. Global Retail Strategies, *Recommended Directions for City Wide Commercial.Retail Policy, City of Calgary, March 2009*

Pg 40. Global Retail Strategies, *Recommended Directions for City Wide Commercial.Retail Policy, City of Calgary, March 2009*

[4] Pg 2. Calgary Economic Development, *Home Base: What Drives Head Office Locations and Calgary's Place as a Global Business Hub*, August 2010

a few".[5] The report stressed the importance of creating policies that would foster growth of local companies on a global stage. The recommendations included:

- Continued funding for programs to further develop a highly skilled workforce;
- Promoting the City's strong cultural aspects and excellent quality of life;
- Continued investment in essential infrastructure such as airport access, roads and public transit;
- Expand beyond Calgary's energy sector into such other key sectors as business, financial, manufacturing, IT, transportation, and logistics;
- Maintain a competitive tax and regulatory environment; and,
- Undertake further research into the "spin-off effects" of head office locations on local communities.

City of Vancouver

Between the years of 1955 and 1995, approximately 700 acres of industrial lands within the City of Vancouver were converted to other urban uses, predominately residential. In an attempt to retain what was left of the City's existing industrial land base, Vancouver City Council adopted an **Industrial Lands Strategy** in March 1995. The strategy acted as a policy framework intended to guide future development within industrial lands. The strategy led to an update of the City's Industrial Zoning Regulations to achieve:

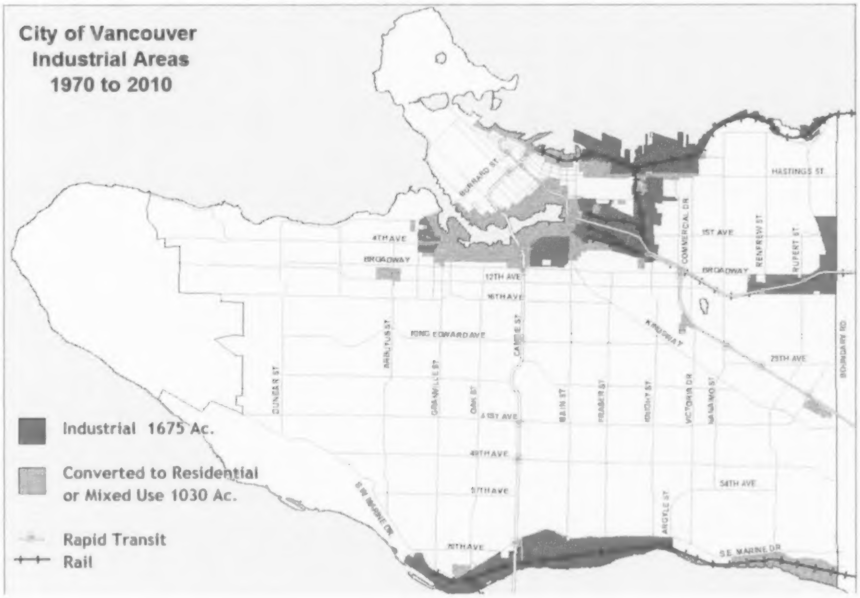
- Updated definitions of industry to better accommodate service businesses;
- Revised height and bulk limits to ensure compatibility with nearby residential areas; and,
- Revised provisions for conditional uses (i.e. culture, recreation, education) to determine which uses can locate in industrial areas and which uses should be excluded.

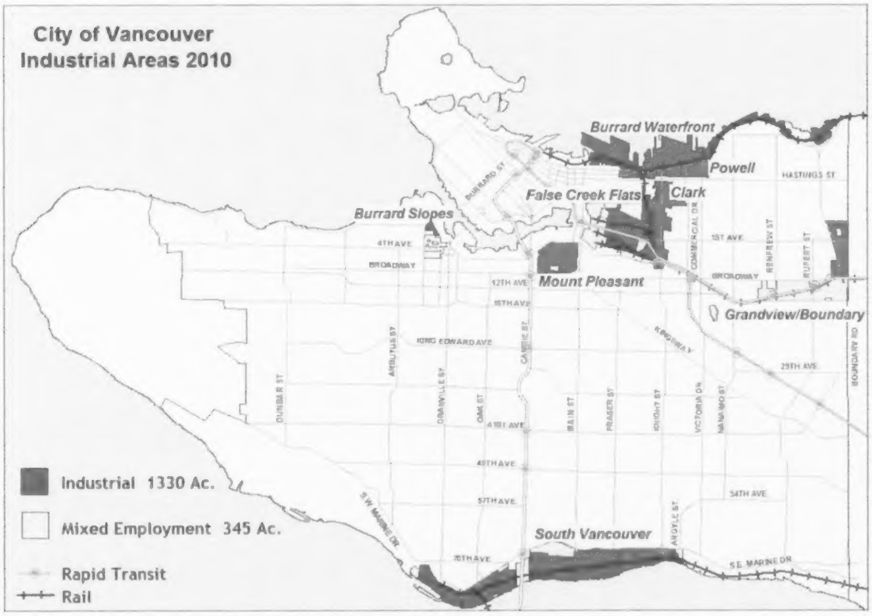
Although the Strategy was intended to be reviewed every 10 years, the first review has yet to occur. As it stands today, there is no blanket policy prohibiting residential development within industrial areas.

By the early 2000s, it was becoming apparent that parts of the downtown area were experiencing a major decline in office space and a noticeable increase in condominium developments and recreational facilities. The motto "The downtown is a resort" was becoming a common expression in the City's planning department. As a result the City embarked on developing the Metropolitan Core Jobs & Economy Land Use Plan in 2004.

---

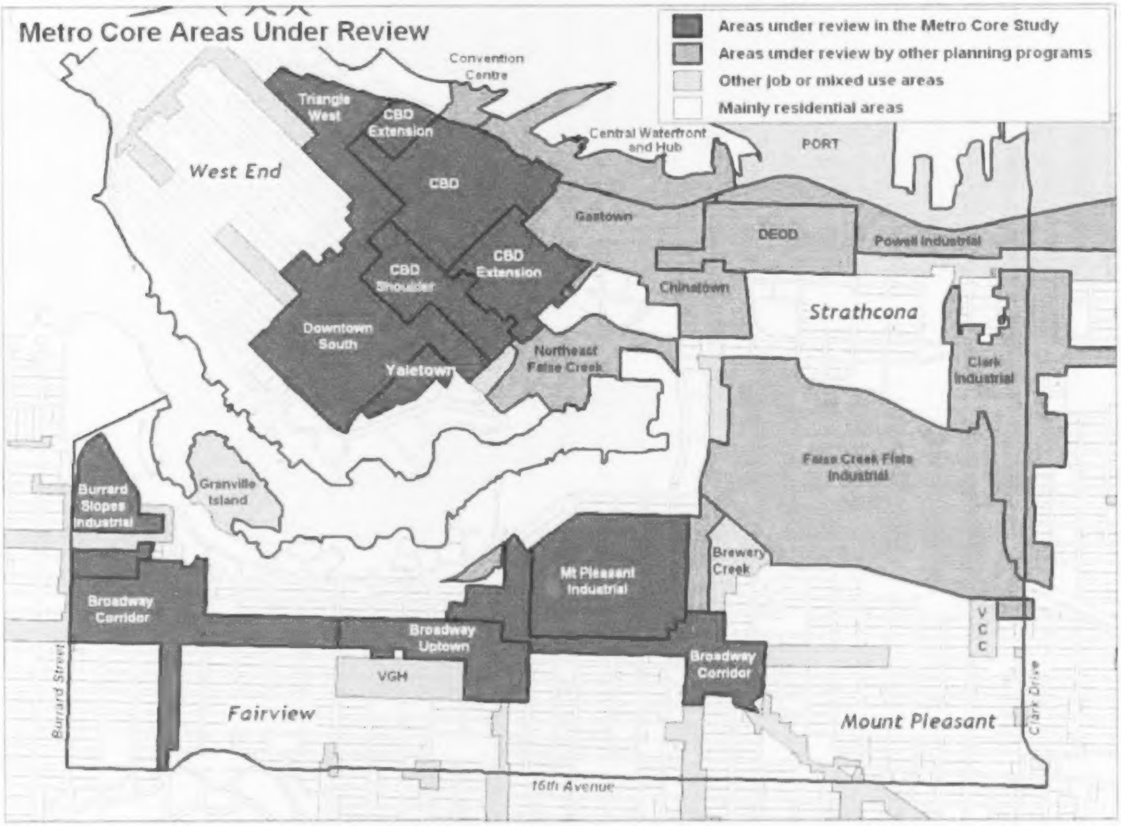
[5] Pg 2. Calgary Economic Development, *Home Base: What Drives Head Office Locations and Calgary's Place as a Global Business Hub*, August 2010


City of Vancouver
Industrial Areas
1970 to 2010
Industrial 1675 Ac.
Converted to Residential or Mixed Use 1030 Ac.
Rapid Transit
Rail
BURRARD ST
HASTINGS ST
4TH AVE
BROADWAY
12TH AVE
16TH AVE
1ST AVE
KING EDWARD AVE
KINGSWAY
29TH AVE
41ST AVE
49TH AVE
57TH AVE
54TH AVE
70TH AVE
SE MARINE DR
SW MARINE DR
DUNBAR ST
ARBUTUS ST
GRANVILLE ST
OAK ST
CAMBIE ST
MAIN ST
FRASER ST
KNIGHT ST
VICTORIA DR
NANAIMO ST
COMMERCIAL DR
RENFREW ST
RUPERT ST
BOUNDARY RD
ARGYLE ST


City of Vancouver
Industrial Areas 2010
Burrard Waterfront
Powell
Clark
False Creek Flats
Burrard Slopes
Mount Pleasant
Grandview/Boundary
South Vancouver
Industrial 1330 Ac.
Mixed Employment 345 Ac.
Rapid Transit
Rail
BURRARD ST
HASTINGS ST
4TH AVE
BROADWAY
12TH AVE
16TH AVE
1ST AVE
KING EDWARD AVE
KINGSWAY
29TH AVE
41ST AVE
49TH AVE
57TH AVE
54TH AVE
70TH AVE
SE MARINE DR
SW MARINE DR
DUNBAR ST
ARBUTUS ST
GRANVILLE ST
OAK ST
CAMBIE ST
MAIN ST
FRASER ST
KNIGHT ST
VICTORIA DR
NANAIMO ST
COMMERCIAL DR
RENFREW ST
RUPERT ST
BOUNDARY RD
ARGYLE ST

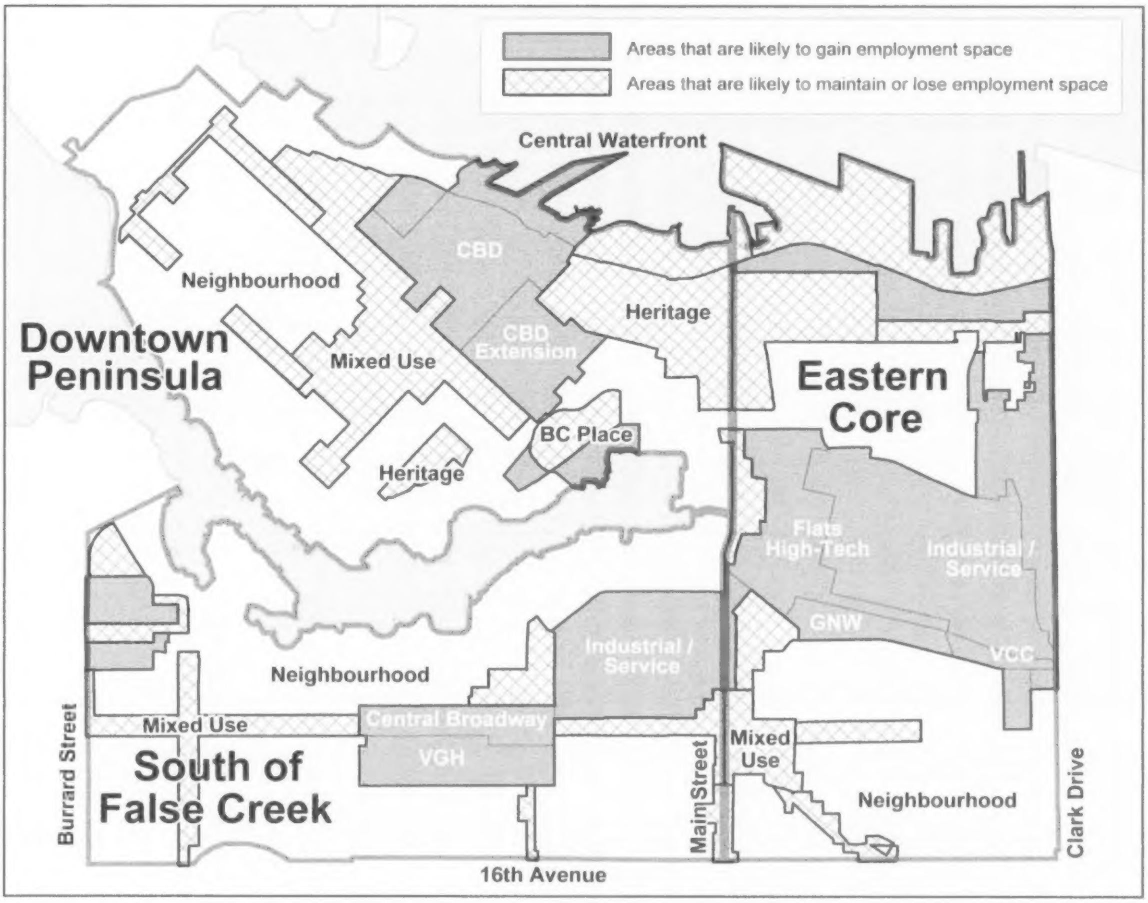
While residential developments have brought new life to the downtown, it has also created concerns on the over-commitment of land to residential uses. These included potential impacts to municipal and regional economic and employment opportunities, traffic flow, goods movement, the environment and the City's tax base. The City formulated its **Metropolitan Core Jobs & Economy Land Use Plan** in response. It was intended as a comprehensive study of how to accommodate and encourage future business growth, economic activity and transportation. The areas under review for this study are illustrated on the map on the following page. The study was undertaken in four steps:

- Step 1: Understanding Yesterday and Today concluded:
    - That there were 46,850 jobs in industrial sectors in the Metro Core, 13,500 fewer jobs than in 1971. The Downtown had lost the most jobs, while Eastern Core has almost as many industrial jobs as it did 30 years ago;
    - The Metro Core is the dominate office location with over 30 million sq.ft. of office space in the Downtown. Continued growth in office space is expected to respond to the increasing growth of Service based jobs;
    - Residential development in the Metro Core has risen steadily over the past 35 years with the greatest increase being in the Downtown;
    - That the current supply of office buildings exhibit a variety of styles, floor sizes, and tenants; and
    - That the vacancy rate is fairly low with the majority of buildings being fully leased.
- Step 2: Projecting Tomorrow concluded:
    - That the City will continue to experience growth and diversity in Metro Core jobs.
    - That the current zoning in place can accommodate some of this job growth, however new zoning direction needs to be implemented once demand for job space exceeds what is currently zoned.
    - Possible policy direction and options could include:
        - Reinforcing the economic role of the CBD through increased commercial heights and densities or by limiting residential in the CBD;


Metro Core Areas Under Review
Areas under review in the Metro Core Study
Areas under review by other planning programs
Other job or mixed use areas
Mainly residential areas
Convention Centre
Triangle West
CBD Extension
CBD
West End
Central Waterfront and Hub
PORT
Gastown
DEOD
Powell Industrial
CBD Shoulder
CBD Extension
Chinatown
Strathcona
Downtown South
Yaletown
Northeast False Creek
Clark Industrial
False Creek Flats Industrial
Granville Island
Burrard Slopes Industrial
Brewery Creek
Mt Pleasant Industrial
Broadway Corridor
Broadway Uptown
VGH
Broadway Corridor
VCC
Burrard Street
Fairview
Mount Pleasant
Clark Drive
16th Avenue

- Reinforcing the economic role of the Broadway Corridor;
- Supporting a more balance mix of commercial and residential uses in heritage areas; and,
- Intensifying employment density and land use in industrial areas by allowing more types of commercial in these areas including retail and office.

The following figure illustrates the areas within the Metro Core Area expected to experience growth or decline in employment space. It was concluded that the areas that permit both residential and commercial uses will most likely convert existing employment space to residential use, while areas that do not permit residential are expected to gain the majority of future employment space.


Areas that are likely to gain employment space
Areas that are likely to maintain or lose employment space
Central Waterfront
CBD
CBD Extension
Neighbourhood
Heritage
Downtown Peninsula
Mixed Use
Eastern Core
BC Place
Heritage
Flats High-Tech
Industrial / Service
GNW
VCC
Industrial / Service
Neighbourhood
Mixed Use
Central Broadway
VGH
Burrard Street
South of False Creek
Main Street
Mixed Use
Neighbourhood
Clark Drive
16th Avenue

- Step 3: Issues and Directions proposed the following overall policy directions:
  - *Affirm the Metro Core's role as the major employment and cultural centre in the region and ensure adequate job space for future job growth;*
  - *Ensure a diversity of job space;*
  - *Support sustainable transportation objectives by focussing job growth in areas well-served by public transit, and by maintaining a balance between jobs and housing.* This would be achieved by ensuring the commercial capacity of the site must be maximized before residential would be considered, by requiring a minimum commercial density for new development within these areas, or by adding a

minimum job space requirement, or through an increase in permitted service and office uses;

- *Develop parking strategies and standards that support: sustainable transportation modes; visitor and customer needs; and re-use of buildings;*
- *Confirm the Central Business District (CBD) extension areas as part of the CBD;*
- *In the CBD and Uptown, the priority is increased job space. Market residential development should not be permitted - except in limited situations to achieve other City objectives such as heritage revitalization or affordable housing;*
- *In some areas outside the CBD and Uptown, pursue opportunities for mixed residential/ commercial buildings only when job space is increased beyond the anticipated commercial capacity on the site;*
- *Provide a variety of opportunities for support services, including hotels, to continue to locate close to and within the CBD, and within the emerging office districts in the Broadway corridor;*
- *Confirm industrial areas for production, distribution and repair and increase job density;*
- *Throughout the Metro Core, discourage conversions of significant existing office space to residential use. Develop appropriate policy regarding conversion of existing hotel space; and*
- *Investigate live-work as an opportunity for flexible and diverse job space in areas where job space is not the primary consideration.*[6]

* *The proposed policy directions are intended to be complementary to other City objectives around affordable housing, cultural amenities, heritage preservation, and any associated density bonusing. Any increases to densities and heights may not be outright but could be conditional based on City objectives.*

---

[6] Issues & Directions Report July 12, 2007

The above listed policy directions were to be evaluated against a number of criteria:

- *Development feasibility;*
- *Effectiveness in providing jobs space;*
- *Jobs- residents balance;*
- *Urban Design*
- *Transportation objectives;*
- *Land use compatibility;*
- *Heritage;*
- *Supportive of longer term job space needs (beyond 25 yrs);*
- *Affordable housing;*
- *Cultural facilities;*
- *Sustainability;*
- *Regional economic goals and planning;*
- *Neighbourhood character and vibrancy; and,*
- *Availability of public amenities, facilities and services.*[7]

Step 4: Polices for Tomorrow - Was divided into two subparts, one focused on the Downtown area and the other, still to be completed, to focus on the remaining areas of the Metro Core. The recommendations for the Downtown are summarized below:

- ○ Increase the permitted commercial density in the Central Business District and Yaletown;
- ○ Limit new residential from being developed in the CBD;
- ○ Require minimum commercial density in all new developments within the CBD;
- ○ Proposed Downtown Rezoning Policy to support commercial intensification within the CBD and limit residential to ensure additional density achieved through rezoning is developed for non-residential uses. This policy only considers new residential under limited circumstances such as for the retention of heritage buildings, or the retention or replacement of single room accommodations; and,
- ○ Proposed Office Conversion Policy to monitor applications for conversion of significant, existing office space to residential use

---

[7] Issues and Directions Report, July 12, 2007

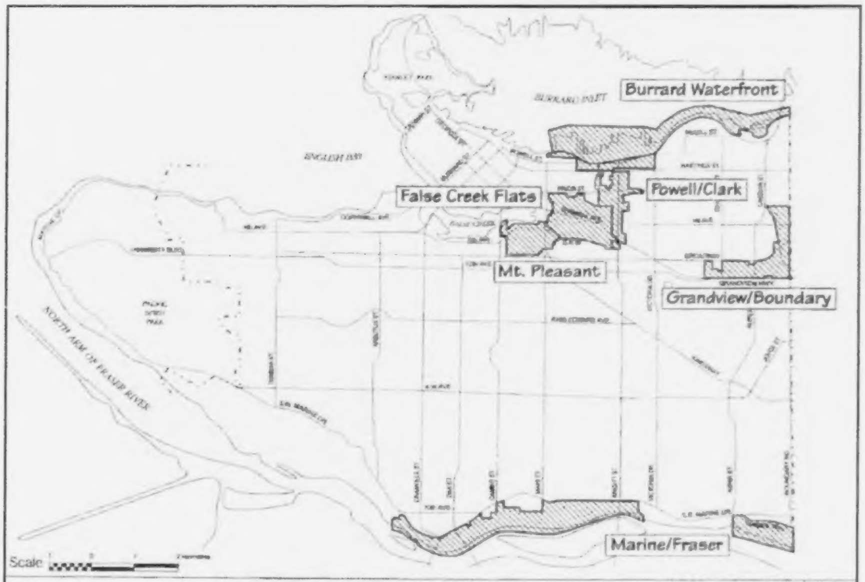
> in areas of the Downtown where zoning provides the option for both residential and commercial uses. The policy would only be applicable to proposed office conversions for existing office buildings larger than 50,000 sq. ft. in the Downtown Core Area and larger than 30,000 sq. ft. in Gastown and Yaletown.

In March 2006, City council adopted the **Downtown Official Development Plan** to regulate and guide development within the City's core area. Polices for selected areas regulate the amount of residential floor space within new development by requiring minimum non-residential Floor Space Ratios ranging from 1 to 2 times site area.

City council subsequently approved an **Office Conversion Policy Amendment** in October 2009 to protect office space in the downtown. This required that applications for conversions to residential uses be supported by a recommendation from the director of planning that the application satisfied the following criteria:

- That current and future (25 year horizon) requirements for office space can be accommodated;
- That the amount of space being converted and the general pace of office space conversions are acceptable;
- The condition of the building and whether or not it is on the Vancouver Heritage Register;
- That the quality of the proposed development meets liveability and design standards and considered access and proximity to amenities that support residential use; and,
- That the proposed development is within close proximity to rapid transit stations and other non vehicular modes of transportation.

The City of Vancouver no longer supports rezoning of industrial land for large format retail and has rescinded their Policy for Large Scale Retail Uses in Industrial Areas. The Grandview Boundary Industrial Area and the Marine Drive Industrial Area (shown in figure on the following page) are the only two industrial areas remaining within the City which permit this type of retail. This was a response to the presence of large format retail stores selling to the public while claiming to be wholesaling or accessory to manufacturing business where none was occurring. The policies allowed the City to legalize this format and implement requirements such as traffic circulation improvements.



Industrial Areas in Vancouver

City of Vancouver Planning Department

date April 1995
by: CD/dom
scale 1:100000

The **Cambie Corridor Plan**, for a rapid transit corridor running along Cambie Street from the Fraser River north to 16th Avenue was approved by City of Vancouver Council in May, 2011. One of its core principles is to ensure the provision of job space and employment diversity, to be achieved through increased levels of employment density and by avoiding displacement or destabilization of existing industrial and employment lands within the City.

> The Plan also provided specific policy provisions for the location and amount of job space to be built within the Corridor Plan Area. These included "strongly encouraging" second floor job space in some parts of the plan area, and requiring it "where feasible" in others, and promoting live-work units. The plan for the Marine Landing neighbourhood north of the Fraser River prescribed a commercial office building at one location, giving floor plate and maximum height provisions that would enable 400,000 sq.ft. + of office job space[8]. Provisions for this neighbourhood area also addressed protection for ongoing industrial uses in abutting areas:
>
> *New development will use distance, intervening land uses/buildings and other techniques to minimize the impact of residential complaints and expectations on surrounding industrial land uses, and corresponding*

---

[8] Pg. 63 of the Cambie Corridor Plan, May 2011

impacts to residential liveability from existing and expected expanded industrial operations. Industrial land use protection and expansion is a top priority in this area[9].

Metro Vancouver

Similar to the City of Vancouver, Metro Vancouver is experiencing competing demands for the region's developable land. Urban uses such as residential and commercial are encroaching on the supply of future and existing industrial land. This dwindling supply of industrial land has resulted in escalating industrial land prices (ranging from approximately $500,000 to $3.0 million or more per acre depending on the area and municipality) leaving Metro Vancouver with some of the highest industrial land prices in North America.[10]

In response to these pressures, Metro Vancouver conducted a 2010 inventory of industrial lands, releasing its report in November 2011. The purpose of this inventory was to estimate how much land was currently allocated for industrial use, where these lands are located, what percentage was vacant and what changes had occurred since a prior inventory from 2005.

The inventory concluded that there were approximately 28,200 acres (11,400 ha) of industrial land in Metro Vancouver, of which 24% (6,600 acres/2,700 ha) was vacant in 2010. A comparison to the 2005 inventory showed an increase of 1,226 acres (496 ha) to the region's total industrial land inventory, the net result of greenfield additions and losses to conservation/park, residential and other uses.

Metro Vancouver also approved an *Industrial Land Intensification Analysis* report in May 2011. This was an effort by the Metro region to determine ways in which industrial lands could be protected from large scale conversion and identify opportunities to encourage intensification of industrial lands within the region. The report discussed industrial trends, employment densities and identified the potential industry drivers that would be the source of future demand for industrial land. Trends observed by this study included:

- Manufacturing, wholesale trade, and transportation/warehousing provided the largest share of employment for Metro Vancouver's industrial areas. However long-term, it was anticipated that more growth would come from more services-oriented and land intensive sectors;

---

[9] Pg. 60 of the Cambie Corridor Plan, May 2011

[10] Industrial Land Intensification Analysis Prepared for Metro Vancouver, May 1, 2011

- Industrial land values have been growing by 10-15% per year in parts of Metro Vancouver;
- The average industrial lease rates ranged from $6 per sq.ft. in Surrey to $12 per sq.ft. in Vancouver;
- The total supply of industrial building space in Metro Vancouver has increased by an average of roughly 3.5 million sq.ft. per year for the last decade;
- Intensification of industrial employment densities may be limited by lower density warehouse functions and the constraints of technology, as most modern industrial operations cannot operate within multi-floor buildings.

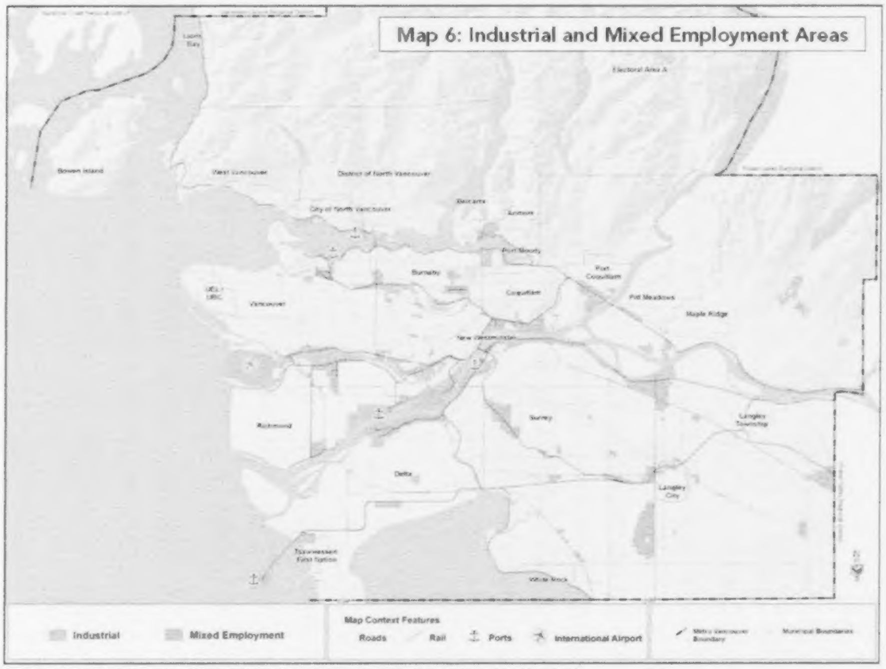
The analysis also included case studies in western Canada and the United States, a discussion of factors that influence industrial lands, and potential actions that would encourage intensification and discourage conversion to other land uses. Potential actions to encourage intensification of industrial lands and to discourage conversion to other land uses addressed area municipal, development industry and regional level efforts. The latter two areas focussed on communications and continued monitoring. The local level actions were more focused on intensification than preservation, recommending that municipalities:

- Review permitted uses;
- Increase site coverage and Floor Area Ratio;
- Reduce setbacks;
- Review industrial landscaping and road standards;
- Increase permitted building heights;
- Rationalize parking and loading standards; and
- Consider permitting shared driveways.

In July 2011, Metro Vancouver adopted the **Regional Growth Strategy: Metro Vancouver 2040 – Shaping Our Future**. This document categorizes industrial related lands by two definitions:

- "Industrial" which exclude uses which are inconsistent with the intent of industrial areas, such as medium and large format retail, residential uses (other than industrial caretaker units where necessary), and stand-alone office uses that are not supportive of industrial activities.
- "Mixed Employment Areas" which permits large and medium format retail, where appropriate, provided that such development will not

undermine the broad objectives of the Regional Growth Strategy and excludes residential uses (except for an accessory caretaker unit).



Map 6: Industrial and Mixed Employment Areas

Lions Bay
Electoral Area A
Bowen Island
West Vancouver
District of North Vancouver
City of North Vancouver
Belcarra
Anmore
Port Moody
Burnaby
Port Coquitlam
Coquitlam
Pitt Meadows
Maple Ridge
UEL / UBC
Vancouver
New Westminster
Richmond
Surrey
Langley Township
Delta
Langley City
Tsawwassen First Nation
White Rock
Industrial
Mixed Employment
Map Context Features
Roads
Rail
Ports
International Airport
Metro Vancouver Boundary
Municipal Boundaries

Note: The depicted road network, rail lines, and port / airport transportation facilities are shown for reference only.

New York City

Over the years, New York City has seen a steady decline in the number of industrial jobs and the amount of industrial zoned lands. Land, labour and energy costs, combined with population and migration trends have accelerated the relocation of industrial businesses out of the city. There has also been a distinct change from garment manufacturing to wholesale trade, warehousing, transportation and waste management employment.

In January 2005, the City released a **New York City Industrial Policy – Protecting and Growing New York City's Industrial Job Base** strategy. This was intended to help New York achieve a more business friendly, diverse economy and to create a comprehensive policy to support the industrial sector. It was informed in part by a survey of over 500 of the city's industrial companies, which identified several key issues:

- Space constraints and real estate uncertainty – a concern arising from industrial companies having to compete with residential and commercial uses for land. The majority of industrial businesses rent their space and many cited difficulty securing long-term leases from reluctant landlords;

- High Occupancy Costs – including rental and utility costs. Sixty percent of industrial companies are renters and estimate that their rent has doubled over the past five years;
- A Business Environment seen as too restrictive overall, exemplified by enforcement of parking and dumpster regulations.

The main outcome of this Plan was to replace In-Place Industrial Parks (IPIPs) with Industrial Business Zones (IBZs). Policies for the IBZs prohibit any rezoning of lands to residential uses, encourage additional incentives for business relocation to an IBZ (such as credits for relocation expenses, and breaks on utility costs and real estate tax), make area planning studies for each IBZ mandatory and encourage IBZ marketing and expansion.

The City and various agencies have since developed additional programs to help foster industrial growth and safeguard the existing supply of industrial space. In June 2011 the Mayor announced 22 new initiatives to encourage small industrial businesses to remain and grow in New York City. Two of these initiatives include a $10 million fund to provide growth capital to small food manufacturers and another $10 million fund to revitalize out-of-date industrial space across the City of New York. The objectives for the remaining 20 initiatives were to:

- Increase access to modern industrial space by providing low cost rent or rent abatement to businesses/developers willing to renovate currently vacant city owned industrial space;
- Strengthen IBZs by proposing a new special permit for large hotel uses in IBZs while ensuring the hotels meet the goals and intent of the zones;
- Provide new financing resources and increased access to existing programs through new loan programs and public-public partnerships; and,
- Better align City resources with industrial business needs through establishment of the Industrial Business Advisory Council to educate the City on issues facing the industrial sector.

These were supported by the dedication of staff specifically to industrial sector policy planning, all to reach objectives targeting the revitalization, modernization, and preservation of up to 9 million square feet of underutilized industrial space, the creation and retention up to 30,000 direct and indirect industrial jobs, and the generation of annual payroll earnings of more than $900 million and more than $150 million in City tax revenue.

The City of New York **PlaNYC** Plan update April 2011 responds to the City's challenges regarding population growth, aging infrastructure, climate change, and an evolving economy. An initiative within the Plan was to continue transit-oriented rezoning of lands in order to create capacity for new housing. The Plan references the rezoning of the formally heavy industrial area, Willets Points in Queens, as a case study for its Housing and Neighbourhoods Initiative 4: Develop New Neighbourhoods on Underutilized Sites. Upon completion, the Willets Point redevelopment will include 5,500 new units, 1.7 million sq.ft. of retail, a hotel, office space, and a convention centre. Large scale retail is permitted within this new mixed use development along the two main throughfares. Manufacturing and industrial uses related to cement and asphalt operations are to be maintained on the Flushing River waterfront. Other industrial uses are planned to primarily include warehousing, distribution, and wholesale uses.

City of Chicago

It is estimated that manufacturing employment in Chicago is down to one quarter of 1950 levels following major restructuring of the stockyard and steel industries.

Exceptional location, transportation and labour resources have long served to attract and retain industrial companies in Chicago. To build upon these attributes the City of Chicago designated 24 **Industrial Corridors** in the early 1990's. These corridors were zoned explicitly to discourage opportunities for incursion by retail (particularly large scale retail) and residential developments. Requests for zoning amendments within these corridors are reviewed by the Chicago Plan Commission, which reserves the right to reject proposals that would create conflicts with existing businesses or weaken a corridor's industrial integrity. Most corridors also offer Tax Increment Financing (TIF) and other incentives to encourage existing businesses to invest in their facilities and attract new companies to locate in the City.

An industrial land use inventory and analysis was completed by the Chicago Department of Housing and Economic Development (HED) in 2010. The data and evaluation of this inventory provided a broad analysis of the comparative strengths of each industrial corridor. The evaluation considered economic strength (corridor specialization, vacancies, employment and densities), transportation access (road, water and rail) and zoning and boundary integrity (effectiveness at decreasing negative impacts of noise, fumes and traffic beyond corridor boundaries).

In March, 2011 the City of Chicago Department of Housing and Economic Development introduced the **Chicago Sustainable Industries Initiative** (CSI). The initiative looked towards the previously conducted industrial land use inventory to assess the continued viability of various types of industrial uses. The ultimate goal of this initiative was to establish a comprehensive formal government strategy to coordinate and improve the economic, social and environmental aspects of Chicago's manufacturing sector. The following goals and work plan were identified:

- Examine the effectiveness of the planned manufacturing districts as stipulated by the Chicago Zoning Ordinance and review industrial corridor boundaries to determine if amendments are needed;
- Set infrastructure priorities to reflect key industry goals;

- Identify business service priorities by sector, geographic and/or other focuses; and,
- Assess the need for industrial land assemblage, and if warranted, develop priorities and an associated management structure/organization.

International Plans – Sydney, Australia and London, England

The Metropolitan Plan for Sydney 2036 and The London Plan are two plans for cities outside of North America that provide examples of how other jurisdictions are addressing office space and industrial land policy. While both of these plans address the larger metropolitan area of the city—the equivalent of the GTA—they also bear similarities to Toronto in their composition and the planning environment in which they function.

Metropolitan Plan for Sydney 2036

Sydney projects the creation of 760,000 additional jobs by 2036. The largest employment sectors are expected to be: financial and institutional services; construction; professional, scientific and technical services; manufacturing; and health care and social assistance.

Like many North American cities, Sydney is projecting and planning for a decrease in the share in which manufacturing will play in the city's future economy. Nonetheless, while its share may decrease, its scale will still increase, and an estimated 8,500 hectares of employment lands are expected to be required by 2036. In the same time period, it is also estimated that Sydney will need an additional 10 million square metres of commercial floor space and 5 million square metres of retail floor space. Freight delivery through Port Botany, on highways, and by rail is expected to triple between 2006 and 2050.

Sydney's plan sets out two primary objectives for achieving long-term economic growth: (1) provide jobs closer to home and (2) Establish Employment Lands Task Force to ensure there is sufficient land to meet Sydney's freight and industrial needs. By focusing employment growth in subregional and strategic centres, via Subregional Strategies and Local Environmental Plans, Sydney hopes to align population and employment growth to increase the share of residents who live near where they work. Sydney has set employment growth targets for both its subregions and strategic centres, which will be reflected in more detailed planning efforts, and updated in subsequent reviews of the Metropolitan Plan.

The development of an Employment Lands Task Force, comprised of both industry and government representatives, will work towards the coordination, delivery, servicing, and accessibility of Sydney's Employment Lands. The majority of planned Employment Lands are in greenfield areas in southwest Sydney, far from the core, but near where the majority of population growth is anticipated. Like other North American cities, Sydney finds that "...some long established employment lands are coming under pressure to be rezoned for other uses, including commercial or residential." As such, Sydney has developed policy to identify and retain strategically employment lands. Employment lands of strategic importance, identified through Subregional Strategies, will not be rezoned, while other employment areas may be considered for rezoning if they have a declining amount of activity due to obsolete buildings or subdivision patterns. The Sydney Plan includes a Summary of the Strategic Assessment Checklist to determine whether employment land should be preserved or converted.

Sydney identified a need to locate additional business parks in more detailed plans such as Subregional Strategies. Among the criteria for assessing the location of business parks are: access to public transit, links to freight corridors and major transportation nodes, sufficient land to accommodate 8,000 – 40,000 employees, proximity to workforce (within 30 minute commute), and a relationship to adjoining economic infrastructure such as educational facilities or clusters of knowledge-based activity.

The London Plan

London has experienced a considerable decline in its manufacturing sector. Between 1971 and 2007 the city experienced "huge economic changes as London's once very strong manufacturing sector declined, and was more than made up for by a growth in services." Between these years, manufacturing jobs dropped from just over one million to 326,000. Meanwhile, service jobs grew from 457,000 to over 1 million in the same time frame. Unlike other cities, such as Sydney, London projects manufacturing will continue to decline in terms of both share *and* scale, with less than 100,000 manufacturing jobs remaining by 2031. The economy will continue to shift to create more service jobs, especially business and financial services, with projections indicating many new jobs will continue to concentrate in inner London.

With the majority of residents living in outer London and job growth taking place largely in inner London, The London Plan seeks to redistribute job growth to where residents live by promoting office development in mixed use areas in outer London, including promoting the area for public sector employment. At the same time, the plan promotes the continued enhancement of the London's Central Activities Zone (CAZ) as "the globally iconic core of one of the world's most attractive and competitive business locations." The CAZ is the location of one third of London's jobs and, along with Canary Wharf, has historically had the highest level of job growth in London. The London Plan emphasizes the importance of ensuring adequate office space in this area to keep pace with the sustained demand and growth in the service economy.

Despite the city's declining manufacturing, The London Plan also notes that "even an increasingly service-based economy needs space for less high value activities crucial to sustaining the city's metabolism, including 'services for the service sector', manufacturing and maintenance, waste management and recycling, wholesale and logistics." The London Plan identifies a series of Strategic Industrial Locations (SILs) that are to be protected for general and light industrial use. These SILs are further distinguished as Preferred Industrial Location (PILs) and Industrial Business Parks (IBPs). They are generally parcels of more than 20 hectares and with good access to road, rail, or water transportation infrastructure.

The redevelopment of these sites for residential or office commercial is prohibited. A development proposal on a SIL is refused unless:

- In the case of PILs, the proposal is for general or light industrial, storage and distribution, waste management, recycling, some transport related facilities, utilities, or wholesale markets; or, in the case of IBPs, the proposal is for research and development, light industrial and higher value general industrial, some waste management, utility and transport functions, wholesale markets and small scale distribution.
- The proposal is part of a strategically co-ordinated process of SIL consolidation through a more detailed planning process;
- The proposal is for employment workspace to meet identified needs for small and medium sized enterprises (SMEs) or new emerging industrial sectors.
- The proposal is for small scale service to support industrial occupiers, such as workplace crèches or cafes.

There is no specific reference to large scale retail uses. However, the Plan accommodates retail space within its Central Activity Zones, Town Centres, and mixed use developments.

The protection of SILs is designed to provide adequate space at relatively affordable prices for industrial activity, logistics, waste management, and transport facilities. Furthermore, to relocate the activities permissible on these lands could raise tensions with other lands uses elsewhere in the city. Outside of SILs, the plan notes that surplus industrial land may potentially be used for a mix of uses "such as housing and, in appropriate locations, to provide social infrastructure and to contribute to town centre renewal."

The London Plan also supports mixed use development and redevelopment to promote the creation of more office space and keep pace with the rapidly expanding service economy. An estimated 303,000 new office jobs will be created between 2011-2031, resulting in a demand for 4.6 – 5.2 million square metres of gross office floor space. Of this floor space, more than half will be directed to the CAZ and the north of the Isle of Dogs. Office space being developed in these central locations are expected to be part of mixed use development, including housing.

Summary

Shifts out of goods production to more service and "knowledge" –oriented trade, and shifts in manufacturing to lower cost, less developed nations has led to declines in the utility of older, now inner-urban industrial areas, and pressures for land use change. Nonetheless, the ongoing importance of the industrial economy to urban employment has prompted policy responses in each of the cities examined above. All are focussed on maintaining if not enhancing the industrial job-supporting function of employment areas. Most are supported by complementary economic development programs ranging from grants and loans to location marketing.

While not as common, such cities as Vancouver, Calgary, Sydney and London are already considering, if not firmly responding to, the benefits of office employment and threats to a sustained supply of office space.

The table on the following page summarizes the range of responses to these pressures as drawn from this review.

Guidance for Toronto

Policy directions to consider for application (or continued application) for preserving employment opportunities in Toronto include:

1. Continue to preserve core active industrial lands for industrial and ancillary uses, with a blanket exclusion of residential use;
2. Continue to define criteria and boundaries for areas in which permissions for major retail uses may be considered and the circumstances in which they may be permitted;
3. Consider the utility of area-specific plans or studies to inform or develop more detailed policy prescriptions;
4. Restrict conversions of office space to alternative uses;
5. Require office and retail space minimums in new development in appropriate areas;
6. Continue to invest in infrastructure and create a more competitive tax and regulatory environment to attract more industrial businesses to employment areas;
7. Continue to invest in economic development programs supporting employment uses and facilitating maintenance of existing opportunities, adaptive re-use and new construction of employment space; and,
8. Continue to monitor and report on the vitality and characteristics of employment areas, including those supporting office uses.

Policy Initiatives	Calgary	Vancouver	Metro Vancouver	New York	Chicago	Sydney	London
Land Use Policy Initiatives							
Site Specific Policies with Land Use Restriction	X	X		X	X		
Encourages Increased Employment Densities and Permitted Uses		X	X				
Utilizes a Minimum Commercial Density Requirement Prior to Consideration of Residential Application		X					
Prohibits or Restricts Residential Development	X	X		X	X		X
Prohibits Large Scale Retail Development					X		
Permits Large Scale Retail Development Within Specified Areas	X	X	X	X			
Discourages Illegal Conversion of Industrial Property		X		X			X
Makes City Owned Land Available for Industrial Space				X			
Establishes a Team or Council for Implementation and Due Diligence	X				X	X	
Office Initiatives							
Utilizes a Minimum Job Space Requirement		X					
Promotes Office Uses and Development		X				X	X
Identifies Office Employment/Space Targets or Benchmarks	X					X	X
Financial Initiatives							
Financial Incentives to Remain or Move to a Industrial Area				X			
Lower Cost of Development or Maintenance of an Industrial Property	X			X	X		
Exemptions or Credits from Various Taxes	X				X		
Funding for Employee Development	X				X		
Loan Programs				X			
Marketing for Industrial Areas				X			

Bibliography

City of Calgary

Calgary Economic Development, *Home Base: What Drives Head Office Locations and Calgary's Place as a Global Business Hub*. August 2010.

City of Calgary, *The City of Calgary Municipal Development Plan – Office Consolidation April, 2012*. Adopted September 2009, Effective April, 2012.

City of Calgary. "Central Industrial Areas Land Review." *The City of Calgary*. Web. 12 Dec. 2011. <http://www.calgary.ca/PDA/LUPP/Pages/Current-studies-and-ongoing-activities/Central%20Industrial%20Land%20Revew.aspx>.

City of Calgary, *Revised Stoney Industrial Area Structure Plan*, Adopted September 2009.

Global Retail Strategies, *Recommended Directions for City Wide Commercial.Retail Policy, City of Calgary, March 2009*

The Planning Partnership, Cushman & Wakefield, *Central Industrial Areas Land Review Presentation*, February 2012.

Thomas Consultants Inc. *Stoney Area Commercial Demand Analysis*, February 2002.

Land Use Planning & Policy, *Revised Stoney Industrial Area Structure Plan*, September 2009.

City of Chicago

City of Chicago, *Chicago Zoning Ordinance and Land Use Ordinance*. September 8, 2011

City of Chicago, Department of Housing and Economic Development, *Chicago Sustainable Industries Initiative (CSI)*. March 2011.

City of London, England

Greater London Authority. *The London Plan – Spatial Development Strategy for Greater London*, July 2011.

City of Vancouver

City of Vancouver, *Central Waterfront Official Development Plan*. Adopted June 19, 1979, updated April 1998

City of Vancouver, Community Services Planning Department *CityPlan: Directions for Vancouver*. Adopted June 6, 1995

Land Use Planning & Policy, Planning, Development & Assessment, *Employment Areas Growth & Change 2010*, December 2010.

The City of Vancouver "Metropolitan Core Jobs and Economy Land Use Plan." Web. . < http://vancouver.ca/commsvcs/planning/corejobs/index.htm>.

The City of Vancouver, *Industrial Lands Strategy*. March 14, 1995

Metro Vancouver

Erice Vance & Associates, Vannstruth Consulting prepared for Metro Vancover, *Industrial Land Intensification Analysis*. May 1, 2011

Greater Vancouver Regional District Board, *Regional Growth Strategy. Metro Vancouver 2040 – Shaping Our Future*. July 29, 2011

Metro Vancouver, Metropolitan Planning, Environment and Parks Department, *Metro Vancouver 2010 Industrial Lands Inventory*, November 15, 2011

Metro Vancouver, *Regional Growth Strategy – Metro Vancouver 2040 Shaping Our Future*, July 29 2011.

New York City

City of New York, *New York City Industrial Policy – Protecting and Growing New York City's Industrial Job Base*. January 2005

City of New York, *PlaNYC Update – A Greener Greater New York*, April 2011

City of New York, *Press Release - MAYOR BLOOMBERG AND SPEAKER QUINN ANNOUNCE 22 NEW INITIATIVES TO HELP SMALL INDUSTRIAL BUSINESSES STAY AND GROW IN NEW YORK CITY*. June 7, 2011.

City of Chicago

City of Chicago, *Chicago Zoning Ordinance and Land Use Ordinance*. September 8, 2011

City of Chicago, Department of Housing and Economic Development, *Chicago Sustainable Industries Initiative (CSI)*. March 2011.

Sydney, Australia

New South Wales Government. *Metropolitan Plan for Sydney 2036*, December 2010.

APPENDIX 2.4: CASE STUDY

Amenitization and Multi-Functionality

Problem Statement

This case study is the fourth in a series of papers intended to explore key questions to be considered in shaping policy for employment uses in Toronto. It addresses the following question:

- Is there a clear benefit to allowing a broader mix of uses, including perhaps residential, within or along the edges of largely single purpose employment areas?

It has long been recognized that access to retail and service uses is of value to employers and labour in employment areas. Their presence benefits the functionality and attractiveness of these areas. An emerging question is whether more such uses, including residential as a component in mixed use redevelopment might bring greater benefit, and if so, in what circumstances.

Research Program

The research program consisted of review of the planning and development literature, and of that describing development projects and master plans. The first focus was on finding results from experience elsewhere that supported a hypothesis that enabling a broader mix of uses would increase the attractiveness of business parks and industrial areas to new investment in employment uses.

Observations

The review did not find any statistical evidence or series of case studies directly addressing the research question. It did find a growing body of experience suggesting:

- Consensus that a mixed use model (residential, retail & service and office if not industrial) is the only reasonable approach to intensification and more compact form, particularly in conjunction with transit; and
- Introduction of mixed use to employment areas is at the very least a potential answer to revitalizing employment areas that are in decline, or under-using their land base;
- Creation of more urban, more vibrant, mixed use environments can bring higher rents, returns to capital, and re-investment.

The Urban Land Institute addresses these topics through several publications, including *Getting Density Right – Tools for Creating Vibrant Compact*

Development, Ten Principles for Reinventing America's Suburban Business Districts and *Transforming Suburban Business Districts*. The first describes examples and tools for intensifying existing development or for more compact forms of greenfields development. Integration of office development, or introduction of a residential component into more single use areas is a common theme. The "Ten Principles" publication was a pre-cursor to the "Transforming" book. The offered principles are summarized as:

1. Realistically assess the market position and potential;
2. Build community support;
3. Develop a strategic plan;
4. Structure regulations to enable adaptability over time;
5. Create interconnectivity within superblocks;
6. Target a wide range of goods, services and experiences;
7. Create pedestrian friendly places;
8. Offer a choice of transportation modes, including active and transit
9. Form public, private partnerships
10. Share and manage parking and consolidate more uses within buildings.

The underlying premise appears to be that suburban business districts (a term that applies to Toronto's Employment Districts – "Business Parks") are an ideal locus for "smart growth" intensification. This is distinct from identifying a strategy that revitalizes business parks for its own sake, particularly where other opportunities for residential intensification are available.

Nonetheless, "win-win" outcomes would be achievable if market interest in mixed use re-development can be leveraged for net gains in productive employment space and stronger performance for existing space while accommodating intensification.

The remainder of this case study reviews several redevelopment schemes to characterize the expectations ascribed and components incorporated into the respective concepts. Each makes reference to creating a mixed-use community, and through that, providing a strong attraction for employment uses.

The quotes below emphasize the perceived importance of integrating a range of uses surrounding employment and office areas in order to create a successful development:

> " *The community vision includes developing a mixed-use environment, in which current office and research and development uses are intensified*

> *and integrated with higher-density residential, neighbourhood retail, and community services. City staff and policy makers consider it critical that the area maintain its competitive position as a regional employment centre and potentially develop new entertainment and visitor servicing uses."* (Mountain View, California General Plan Update Current Conditions Report, 2009)
>
> *"The Mixed Use Urban district is a compact dense walkable community. A variety of land uses may be mixed both horizontally and vertically. The goals of the Mixed Urban Districts are to: create desirable amenities for attracting primary employers."* (North Park, Broomfield, Colorado, 2009)
>
> *"The Celebrity City plan is designed to create a vibrant and dynamic urban environment which includes residential, pedestrian-oriented commercial, entertainment, hotels and office districts unlike anywhere else in the valley.*
>
> *The proposed development will provide the kinds of amenities and diversity of uses that are necessary to truly make a mixed-use development successful.*
>
> *The working population at this site will be served by the retail component of the project. Recent trends indicate that office users are looking for sites that provide amenities and on-site services for their employees and business clients. The office component of this project offers a work environment that is close to retail, parking and entertainment."*

The Land Use District Plan for Celebrity City, Arizona (next page) illustrates an example of a mixed-use development incorporating office uses (Mixed Office District – Blue), residential uses (Residential Low District – Light pink), and a range of other amenities including entertainment, hotel, theatre, and parking districts in an 8.9 ha (22 acre) site.

Figure 1: Land Use District Plan, Celebrity City, Arizona

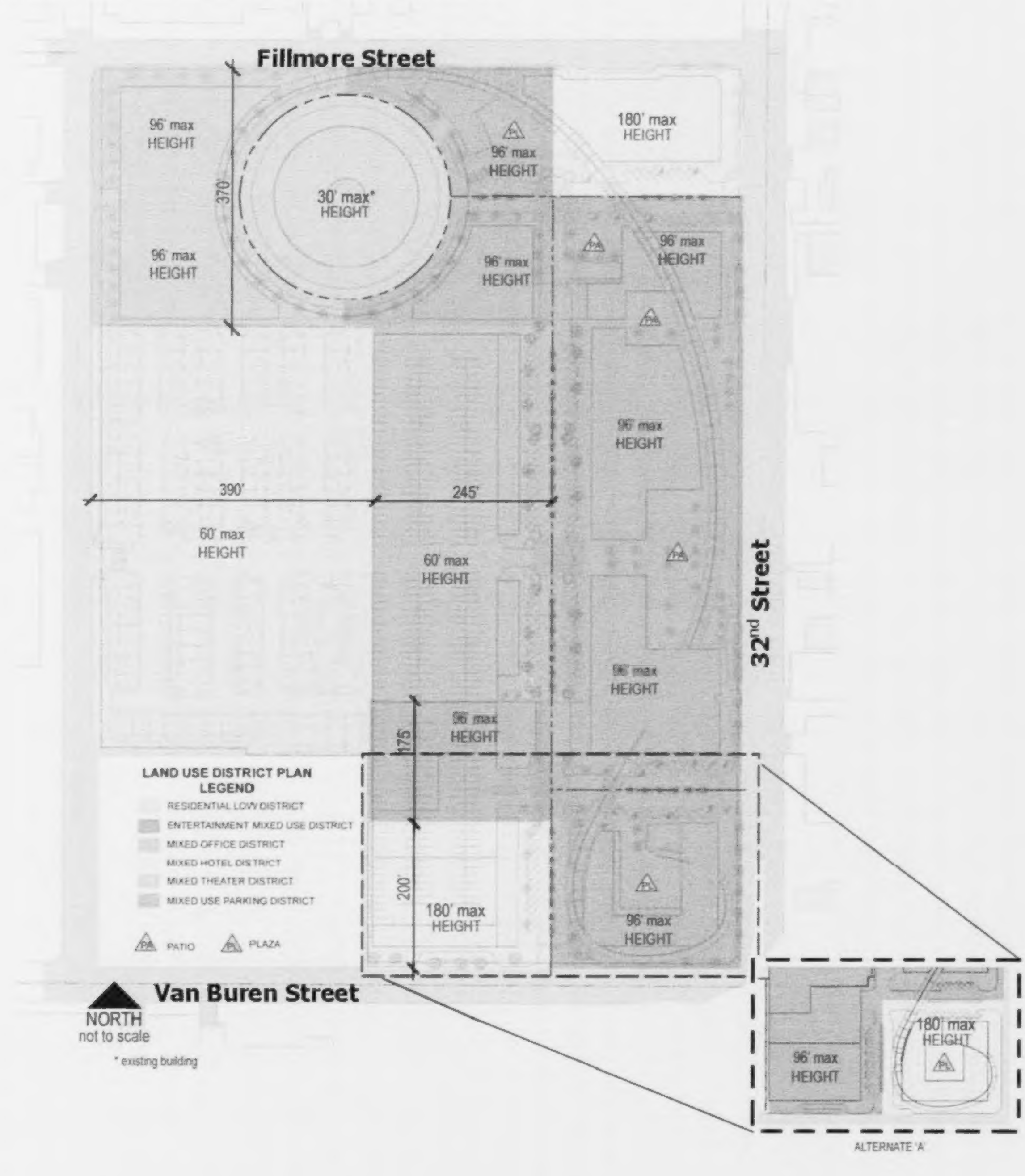

Fillmore Street
96' max HEIGHT
30' max* HEIGHT
96' max HEIGHT
180' max HEIGHT
370'
96' max HEIGHT
96' max HEIGHT
96' max HEIGHT
96' max HEIGHT
390'
245'
60' max HEIGHT
60' max HEIGHT
32nd Street
96' max HEIGHT
96' max HEIGHT
175'
200'
180' max HEIGHT
96' max HEIGHT
LAND USE DISTRICT PLAN LEGEND
RESIDENTIAL LOW DISTRICT
ENTERTAINMENT MIXED USE DISTRICT
MIXED OFFICE DISTRICT
MIXED HOTEL DISTRICT
MIXED THEATER DISTRICT
MIXED USE PARKING DISTRICT
PATIO
PLAZA
Van Buren Street
NORTH
not to scale
* existing building
96' max HEIGHT
180' max HEIGHT
ALTERNATE 'A'

Figure 2: South Unionville Square, Markham

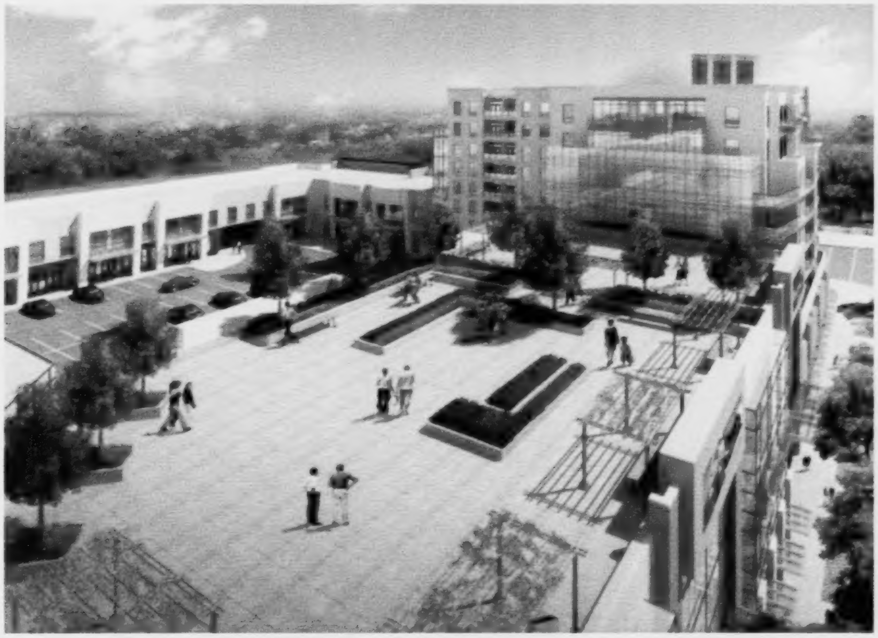
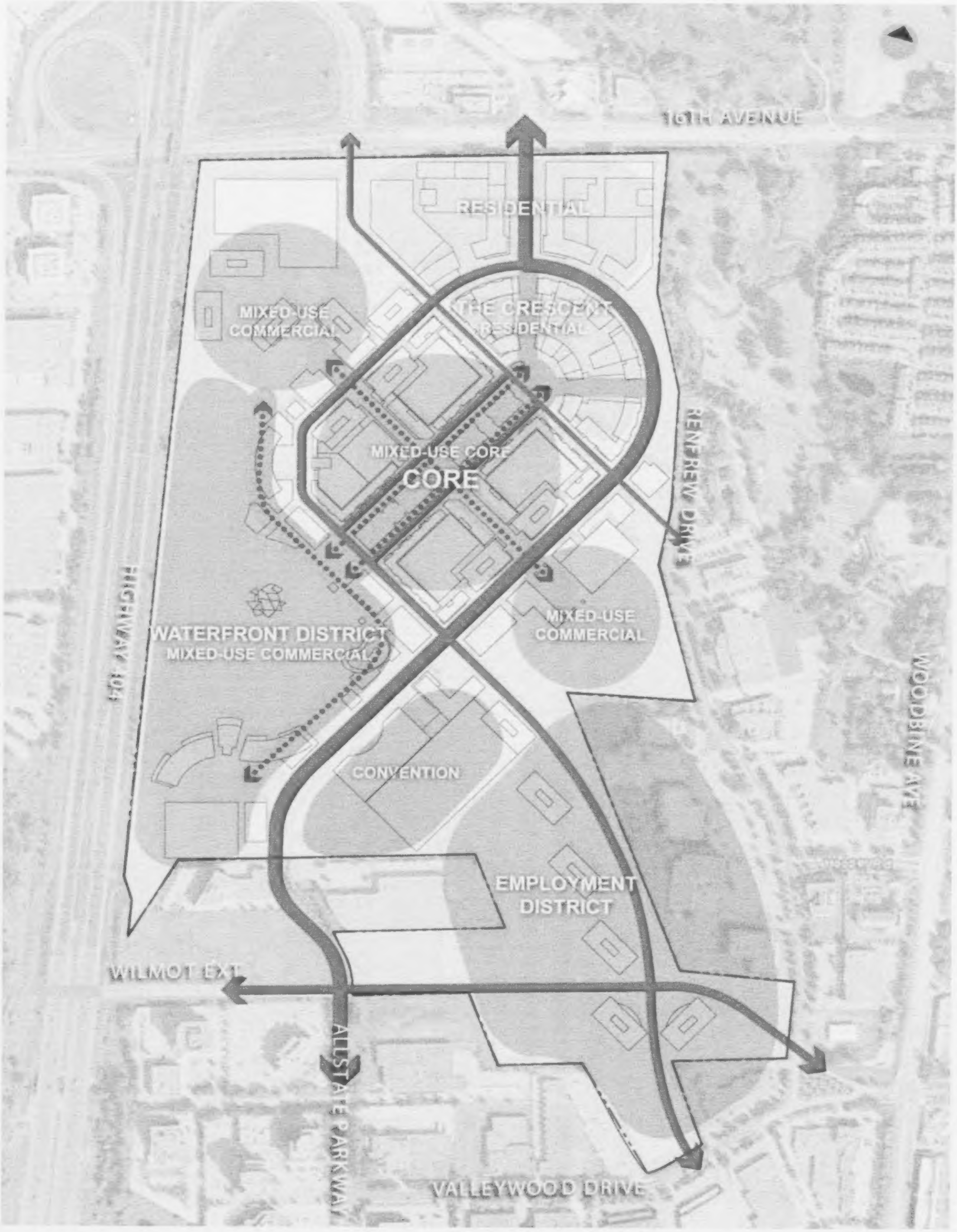


Figure 2 below illustrates another example of a mixed-use development. Currently under construction, the South Unionville Square development is located in the east end of Markham Centre, at Kennedy Road just north of Highway 407. it is a 4 ha (10 acre) mixed use development consisting of 250,000 square feet of retail, office and medical uses, as well as townhome and condominium residential uses. A 50,000 square foot supermarket will anchor the site.

The redevelopment of Buttonville Airport in the City of Markham is making its way through the approvals process. This 70 ha (173 acre) mixed-use project located in the northeast quadrant of the Highway 404 and Highway 7 area. The design concept contemplates approximately 4.6 million sq. ft. of Office and Major Institutional space, 1 million sq. ft. of Retail space. 0.6 million sq. ft. of Hotel and Convention space and 3.2 million sq. ft. of Residential space.

Its design vision and market strategy is to create an amenity rich, vibrant environment attractive to head office and like uses, at higher rent brackets.

Figure 3: Redevelopment Concept for Buttonville Airport, Markham


16TH AVENUE
RESIDENTIAL
MIXED-USE COMMERCIAL
THE CRESCENT RESIDENTIAL
MIXED-USE CORE
CORE
RENFREW DRIVE
HIGHWAY 404
WATERFRONT DISTRICT
MIXED-USE COMMERCIAL
MIXED-USE COMMERCIAL
WOODBINE AVE
CONVENTION
EMPLOYMENT DISTRICT
WILMOT EXT.
ALLSTATE PARKWAY
VALLEYWOOD DRIVE

Lastly, a study titled "Office-Worker Retail Spending in a Digital Age" completed by the International Council of Shopping Centres (2012) outlines the breakdown of office worker spending on goods and services categories. The largest percent of office worker spending (19.3%) is at grocery stores, which implies that there is sufficient shopper density and market support for this use in a sufficient number of locations to generate that result.

In summary, the following main points can be drawn from this review. Experience and the evident commitment to the form strongly indicate that amenitization and multi-functionality are seen to create a positive energy and vitality within a community or area, provide convenient access to services, and positively influence the attractiveness of the area for potential employers.

Compact form, density and walkability appear to be prerequisites for successful mixed-use development. These are difficult to achieve in traditional low density business parks or industrial areas. This in turn suggests that amenitization through mixed use redevelopment should be contemplated only where large scale change is warranted, or where office densities already exist. Ultimately, industrial users will adopt industrial locations on their own merits, with or without amenitization. Re-vitalization of existing office parks is unlikely to occur in its absence.

Guidance for Toronto

The review presented in this Case Study indicates that mixed use projects integrating residential, retail, entertainment and office uses are attractive to the developing and occupying investors in the different uses. There is merit in considering several recommended directions for planning policy for employment uses:

1. Permissions for a broader range of uses, including residential, could assist in re-vitalizing the employment attractiveness of business parks with office densities. For them to merit consideration, there must be net gains to employment space of similar quality and an evident prospect of benefit to existing employment space in the area;
2. Appropriate development concepts and implementation approaches are best developed through specific study;
3. Such uses are best placed at arterial edges or key intersections with higher order transit service;
4. The area of influence of a mixed use project on an adjacent employment area is likely limited to a walking radius; and

5. Grocery shopping as a component of a retail mix would add to the attractiveness of shopping opportunities in a mixed use setting.

Bibliography

CCBG Architects, Earl, Curley & Lagarde, P.C. *Celebrity City Planned Unit Developmen. Celebrity City, Arizona.* 2009.

International Council of Shopping Centres, Niemara, Michael P. & Connolly, John. *Officer-Worker Retail Spending in a Digital Age.* 2012.

MIG Inc. et Al. *Mountain View General Plan Update Current Conditions Report.* 2009.

McWhinney. *North Park Community, Broomfield, Colorado.* 2009.

Urban Land Institute. *West Trade Street/Beatties Ford Road Corridor.* Charlotte, North Carolina. 2010.

Urban Land Institute. *Getting Density Right – Tools for Creating Vibrant Compact Development.* Washington, D.C. 2008.

Urban Land Institute. *Ten Principles for Reinventing America's Suburban Business Districts.* Washington, D.C. 2002.

Urban Land Institute. *Transforming Suburban Business District.*, Washington, D.C. 2001.

APPENDIX 2.5 CASE STUDY

The Challenges to Vertical Mixing of Multiple Uses

Problem Statement

This case study is the fifth and last in a series of papers intended to explore key questions to be considered in shaping policy for employment uses in Toronto. It addresses the following questions:

- What factors enable or impede development of vertically stacked multiple use buildings?
- To what extent would it be reasonable to require mixed use development to include floor space components accommodating more than residential over at or below grade retail?
- What are the implications to employment oriented planning policy?

Research Program

These questions are explored primarily through observations drawn from extensive personal history in and knowledge of past and current development experience in Toronto. Industry publications were also reviewed.

Observations

Multiple-use buildings combine retail, hospitality, office or residential units within the same structure and are frequently pedestrian-oriented. They differ from mixed-use sites, which have connected stand-alone structures. Yonge-Eglinton Centre has long been viewed as Toronto's earliest fully mixed-use site, where transit, retail, residential and office co-exist in a walkable user-friendly environment. Each structure however, is quite independent of others and physically separated on a vertical plane for construction/ operating efficiency and practical concerns. This mixing was only possible because of the extremely large site on top of a subway station.

Putting more than one use (multiple residential, office, retail and hospitality) into one structure increases the capital cost and the operating cost for each use often by more than the commercial benefit. Codifying a requirement forcing builders (both private and public sector) to mix uses into one building can be detrimental to the commercial value of the building and prevent investors from undertaking such a building. While presenting as a solution to enable mixed uses on one footprint, these buildings still occur rarely and then only when markets for the differing uses coincide.

There are three principle reasons why these structures are rarely built.

- The commercial viability of each use is driven by different market forces which often do not occur in the same building cycle.
- The cost to create such a structure is greater than the cost of creating separate structures independently.
- Builders tend to specialize in one use and often reject the opportunity to mix uses when it becomes a condition of building,

Markets

Most multi-residential buildings are created when sales prior to commencement reach a certain level, often more than 50% of all the units. Those sales come with a time to complete condition which requires a builder to start. Once started the builder is obligated to finish the structure. If commercial components of a multiple use building are not at the same point of leasing commitment it inhibits financability and/or renders the completion of the building financially unsound.

The decision to build an office building is typically driven by the size and quality of the lead tenant. Buildings are created for one or two major tenants and rarely does the timing of these deals meet the timing of other markets. To be obligated to build an office building at the same time as other uses can only be achieved if the risk of leasing failure of the other uses is passed on to the office tenant. In some cases office tenants or land owners will insist on a mixed use component to their project and when that happens that risk if perceived as high is often borne by the tenant.

To codify this risk into all projects will be a deterrent in most cases to tenants becoming involved unless the builder assumes that risk. That assumption usually increases the cost to the tenant.

Significant retail structures (other than support retail) are often built quite apart from the other uses on a site because of their radically different space requirements. In the case of recent developments at the Air Canada Centre or Queen and Portland for example, retail co-exists with condominiums in the same structure when the perceived market demand for retail existed in parallel or when the expertise of the builder was equally strong in both areas. In both cases, market conditions were aligned.

The hospitality market is a market driven by current economic conditions in a region, competition between operators and perceived growth potential. In Toronto, the market for hospitality is more active than it has been for 20 years. The hospitality buildings which combine a residential component are working in some areas today. The risk in codifying hospitality into a structure is too high to be sustaining. Builders will build those structures when they can but it is very unusual for both markets to be in sync.

Cost

Condos, offices, retail space and hotels are constructed differently. The structure of a residential building typically contains "shear walls" that divide one unit from another. By contrast, office buildings are generally supported by columns. Incorporating both into a single structure involves a transfer slab or floor, which adds additional expense and reduces the revenue-generating areas of a building. This will also occur in mixing other uses. Parking below becomes very difficult and costly to build when the structure above varies. Maintaining structures for different uses also requires different hours of operation, types of HVAC capability, etc. and adds a layer of complexity and cost.

Specialization of Builders and Owners

In the highly competitive marketplace of real estate development, many prefer to specialize in market niches. Developers tend to pick an area of specialization, making companies such as Minto - which builds condos and offices and also operates a hotel and rental properties – rare.

Ownership also plays a role. Pension funds, such as the ones that own the existing development sites in the core, are often regulated and cannot own land for sale (condos) in areas where they are obliged to invest in income properties. Some are mandated to own and hold income-generating assets for the long run and are less interested in selling condos or managing hotels. Hospitality rarely provides pension investors with the same level of covenant required by regulators. In other words the number of investors who are interested or able to invest in multiple use types in the same structure is very limited. Codifying mixed use in single structures will dramatically reduce the number of investors in the market place.

There are exceptions where developers have pursued a mixed office/residential model but they remain relatively rare. While there are several current projects incorporating office condominium space into multiple use buildings, the office units are being marketed to small users and off-shore investors. The form is more akin to individually demised residential space than traditional leasable office space. The depth of the market for these units is currently an unknown, but is not considered likely to supply a significant amount of space to traditional office sectors.

The more traditional form of mixed-used development involves ground-level retail at the base of condominium and office towers. As the landscape for retail changes and bigger stores are required they can be successful. The Time Warner Building on Columbus Circle in New York is a prime example of this but even by New York standards it is an exception.

A number of retailers that were traditionally big-box suburban players are starting to explore smaller-box versions of what they are used to doing. There is anecdotal evidence of formerly single-purpose retail and residential developers engaging each other in discussions about how to combine uses on one site. This is an evolution of retailing, and a reflection of the numbers of people moving to the downtown cores again, but the mixing of office space and residential is still rarely achieved with commercial success.

For these reasons, and with particular reference to office commercial and hospitality functions, requiring a range of uses in related structures on larger parcels is more likely to be successful than requiring multiple uses in one structure.

2.5.4 Guidance for Toronto

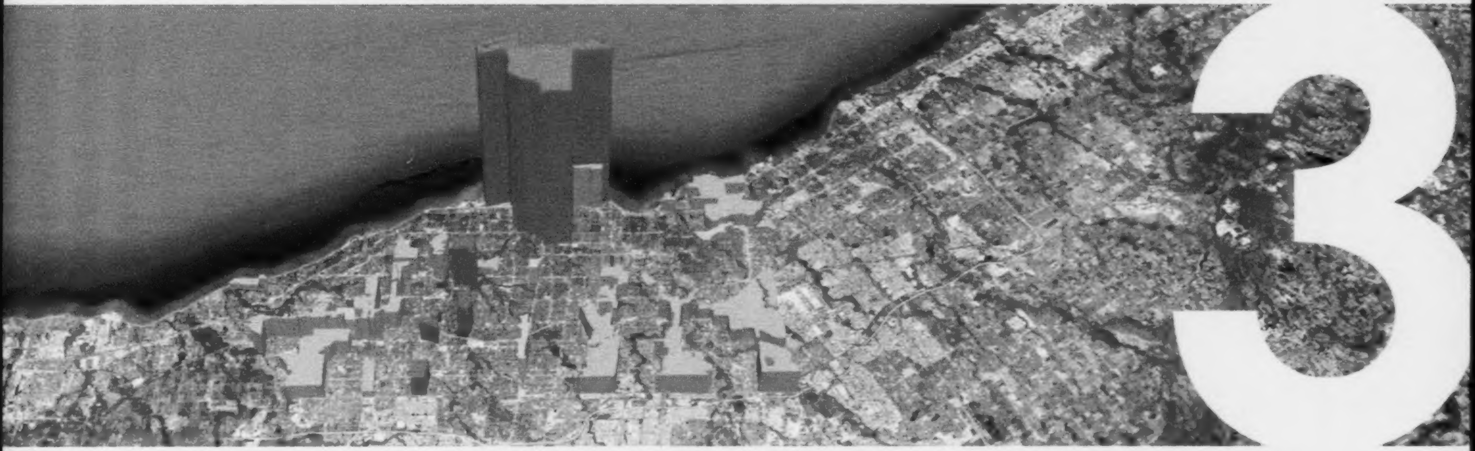
The review presented above shows there to be significant challenges to successful integration of multiple residential and commercial uses into one building. On this basis, two directions are recommended for planning policy for mixed use areas:

1. Policy should not try to force integration of multiple uses (beyond retail mixed with office, residential or hotel) in one building, but can encourage and facilitate it as and when integrated multiple use proposals come forward;

2. In suitable settings (e.g., Centres, edges of business parks, high order transit stops, mobility hubs, major arterial intersections served by transit),

policy should consider requiring that redevelopment of parcels above a specified size threshold incorporate a range of uses incorporating office and enabling hotel mixed with residential and retail in related structures, all as appropriate to the specific location.

This Page Left Intentionally Blank



APPENDIX 3:
TORONTO'S EMPLOYMENT GEOGRAPHY

TABLE OF CONTENTS

3A CITYWIDE OVERVIEW
- A.1 Toronto's Employment Trends and Geography
- A.2 Industrial Space Profile
- A.3 Office Space Profile
- A.4 Retail and Service Space Profile

3B DOWNTOWN AND CENTRAL WATERFRONT

3C CENTRES
- C.1 Yonge Eglinton Centre
- C.2 North York Centre
- C.3 Scarborough Centre
- C.4 Etobicoke Centre

3D EMPLOYMENT DISTRICTS – "INDUSTRIAL"
- D.1 Northwest Etobicoke
- D.2 Rexdale
- D.3 South Etobicoke
- D.4 Highway 400 Corridor
- D.5 Weston Road_Junction
- D.6 Liberty
- D.7 South of Eastern
- D.8 Dufferin Keele North
- D.9 Dufferin Keele South
- D.10 Leaside
- D.11 Bermondsey
- D.12 Milliken
- D.13 Tapscott_Marshalling Yard
- D.14 Scarborough Hwy 401 Corridor
- D.15 West Central Scarbororugh
- D.16 South West Scarborough
- D.17 South East Scarborough
- D.18 Airport Corporate Centre

3E EMPLOYMENT DISTRICTS – "BUSINESS PARK"

- E.1 Consumers Road Employment District
- E.2 Don Mills
- E.3 Lesmill
- E.4 Woodbine Steeles VP

3F EMPLOYMENT AREAS OUTSIDE OF EMPLOYMENT DISTRICTS

- F.1 Junction
- F.2 Lansdown Ave
- F.3 Danforth Rd
- F.4 Railside
- F.5 Thorncliffe

3G AVENUES

3H MIXED USE AREAS OUTSIDE OF AVENUES

3I INSTITUTIONAL AREAS

3J ALL OTHER AREAS

APPENDIX 3A:

CITYWIDE OVEVIEW

APPENDIX 3A.1: TORONTO'S EMPLOYMENT TRENDS AND GEOGRAPHY

APPENDIX 3A.1

TORONTO'S EMPLOYMENT TRENDS AND GEOGRAPHY

Introduction:

This overview summarizes City level data and mapping for a range of variables, per the list of contents below. Data is generally presented in accordance with the City's six major employment sectors (see Figure 1) and the land typology or "localities" defined by the Toronto Official Plan's urban structure and land use designations, as presented in Figure 13.

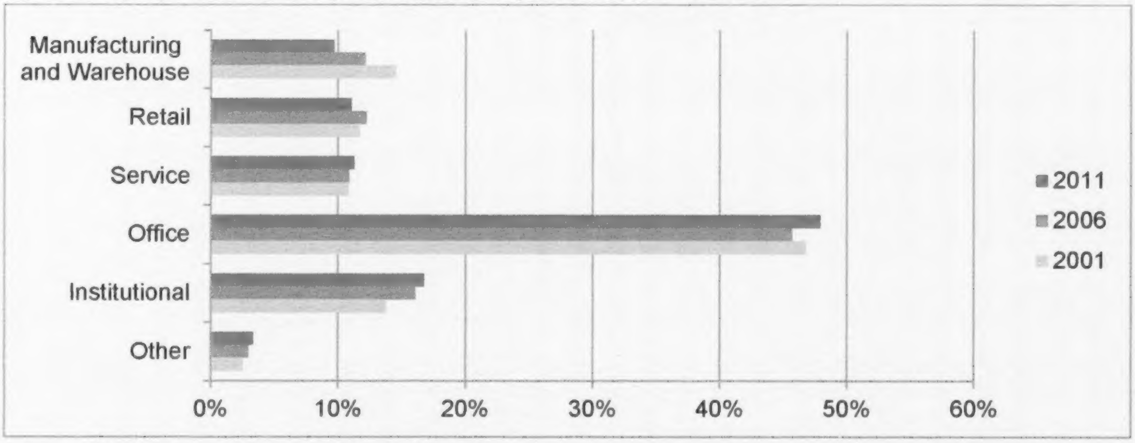
Contents – City Level Overview

- *Employment Structure 2001-2011*
- *Employment Growth 2001-2011*
- *Establishment Structure 2001-2011*
- *Establishment Growth 2001-2011*
- *Toronto Employment Matrix by Urban Structure Typology and Major Sector 2011, 2006, 2001*
- *Toronto Employment Growth by Urban Structure Typology and Major Sector, 2001-2006, 2006-2011, 2001-2011*
- *Typology of Employment Locations*
- *Employment Growth vs. Decline by Employment District, 2001 to 2011*
- *The Structure of Office Sector Employment by Locality, 2011*
- *The Structure of Manufacturing and Warehouse Sector Employment by Locality, 2011*
- *The Structure of Retail Sector Employment by Locality, 2011*
- *The Structure of Service Sector Employment by Locality, 2011*
- *The Structure of Institutional Sector Employment by Locality, 2011*
- *The Structure of "Other" Sector Employment by Locality, 2011*
- *Re-Investment as Proxied by Building Permit Values*
- *Re-Generation as Proxied by Manufacturing Establishment Age Profiles*

The data overview is followed by profiles of the salient features of the City's three major types of employment space:

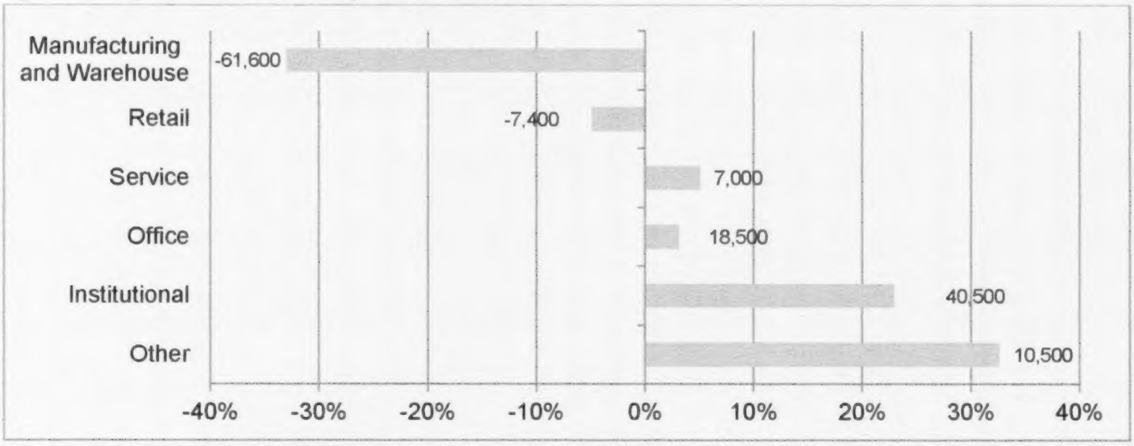
- *Manufacturing & Warehousing Profile (Appendix 3A.2)*
- *Office Buildings Profile (Appendix 3A.3)*
- *Retail and Services Sectors Profile (Appendix 3A.4)*

Figure 1 Employment Structure (% Distribution) Citywide, 2001, 2006, 2011



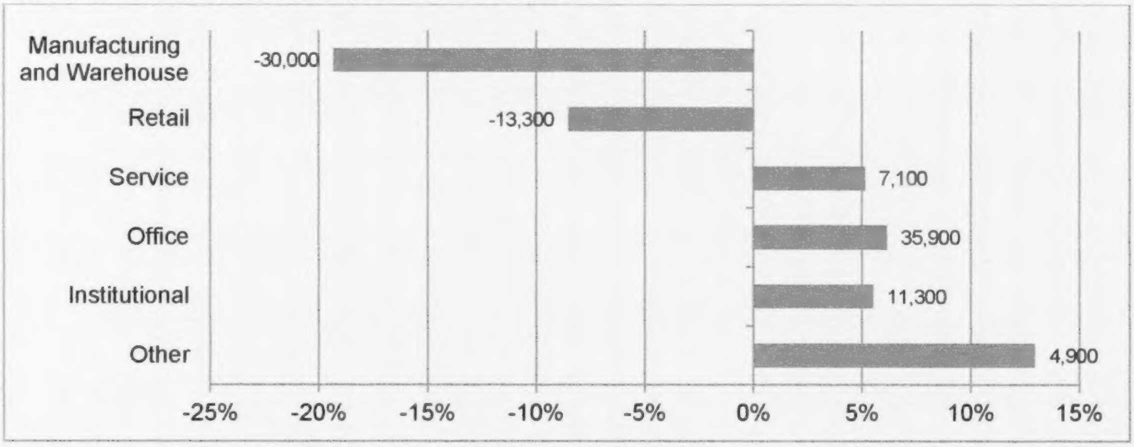
Source: City of Toronto Employment Survey, 2011

Figure 2: Employment Growth Citywide, 2001 to 2011



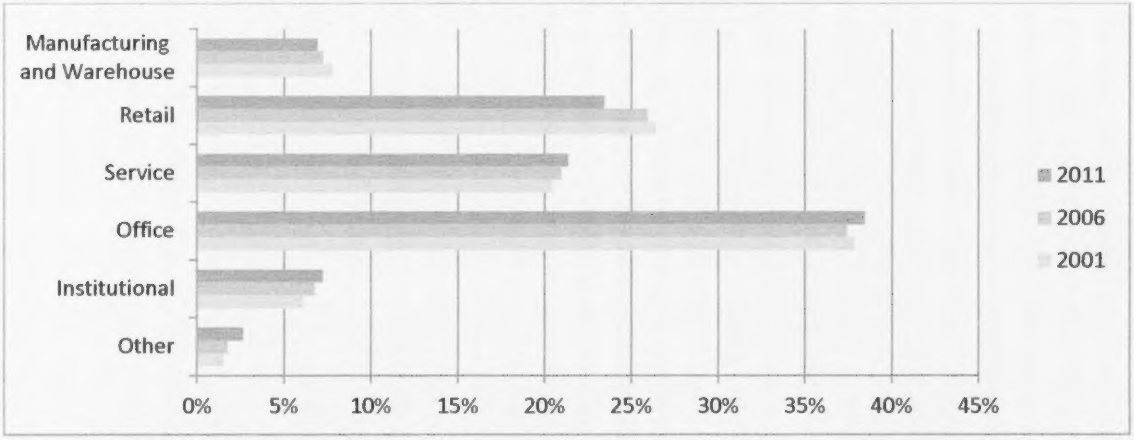
Source: City of Toronto Employment Survey, 2011

Figure 3: Employment Growth Citywide, 2006 to 2011



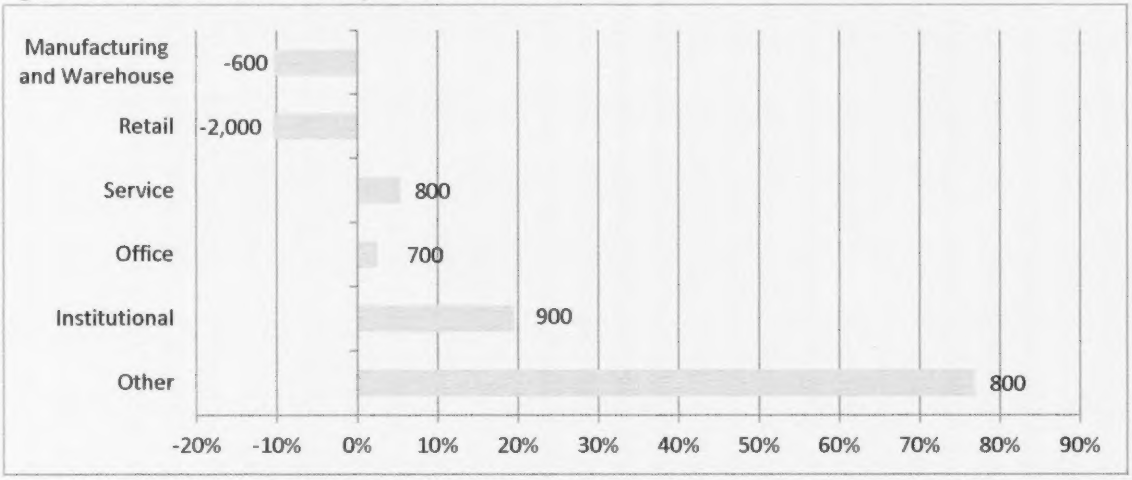
Source: City of Toronto Employment Survey, 2011

Figure 4 Establishment Structure (% Distribution) Citywide, 2001, 2006, 2011



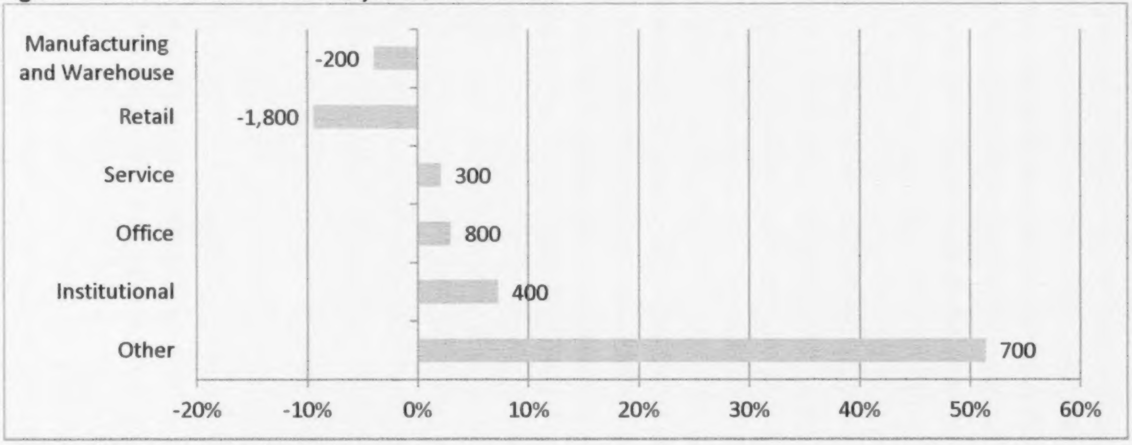
Source: City of Toronto Employment Survey, 2011

Figure 5: Establishment Growth Citywide, 2001 to 2011



Source: City of Toronto Employment Survey, 2011

Figure 6: Establishment Growth Citywide, 2006 to 2011



Source: City of Toronto Employment Survey, 2011

Figure 7: Toronto Employment Matrix by Urban Structure Typology and Major Sector, 2011

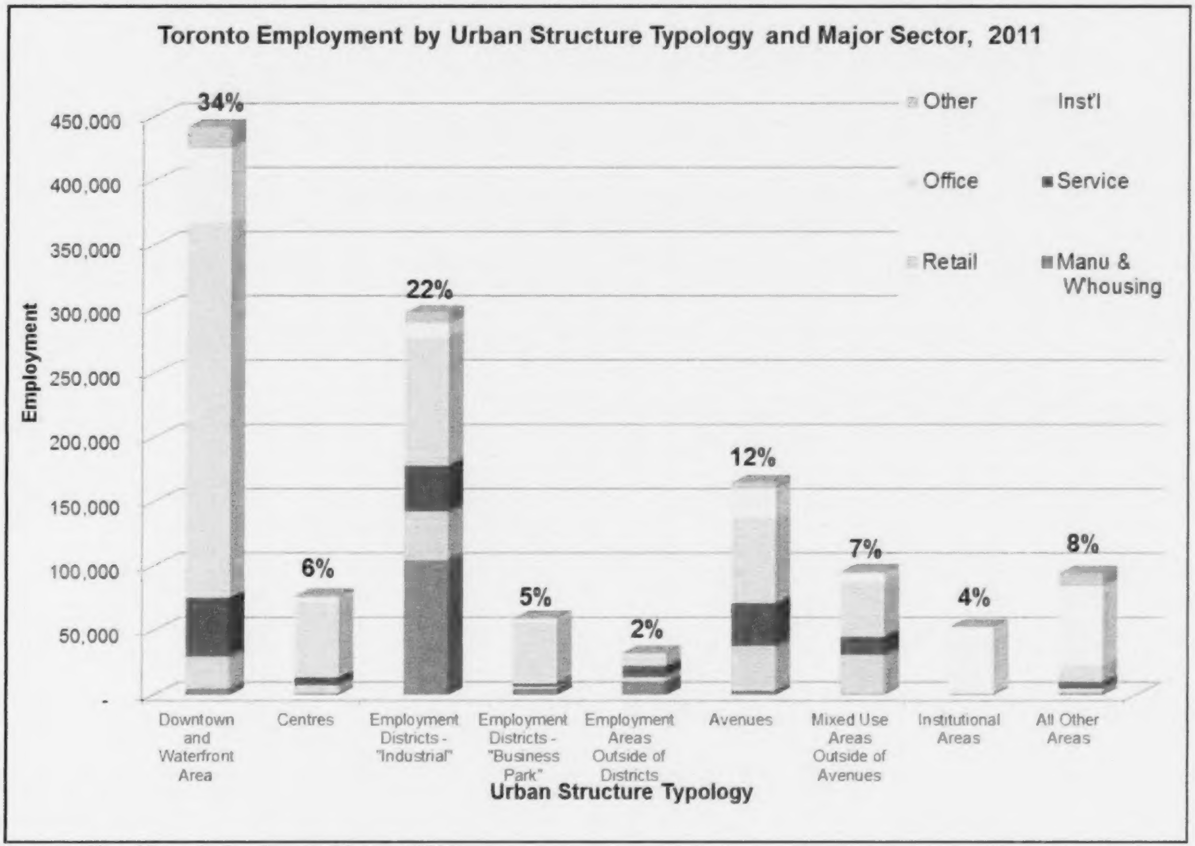
	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	4,400	25,600	45,400	291,600	58,400	16,600	**442,000**
Centres	1,000	6,600	5,900	58,300	3,600	1,800	**77,200**
Employment Districts - "Industrial"	104,500	38,100	35,500	99,300	11,100	8,500	**297,000**
Employment Districts - "Business Park"	4,300	2,300	2,200	47,800	2,500	500	**59,600**
Employment Areas Outside of Districts	10,000	4,200	8,200	9,200	600	500	**32,700**
Avenues	2,700	35,600	32,900	65,800	23,300	4,700	**165,000**
Mixed Use Areas Outside of Avenues	600	30,600	14,000	42,300	7,200	1,200	**95,900**
Institutional Areas	-	100	600	1,000	51,000	400	**53,100**
All Other Areas	1,000	4,200	5,100	12,500	62,000	9,800	**94,600**
TOTAL	**128,500**	**147,300**	**149,800**	**627,800**	**219,700**	**44,000**	**1,317,100**

	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	0%	2%	3%	22%	4%	1%	**34%**
Centres	0%	1%	0%	4%	0%	0%	**6%**
Employment Districts - "Industrial"	8%	3%	3%	8%	1%	1%	**23%**
Employment Districts - "Business Park"	0%	0%	0%	4%	0%	0%	**5%**
Employment Areas Outside of Districts	1%	0%	1%	1%	0%	0%	**2%**
Avenues	0%	3%	2%	5%	2%	0%	**13%**
Mixed Use Areas Outside of Avenues	0%	2%	1%	3%	1%	0%	**7%**
Institutional Areas	0%	0%	0%	0%	4%	0%	**4%**
All Other Areas	0%	0%	0%	1%	5%	1%	**7%**
TOTAL	**10%**	**11%**	**11%**	**48%**	**17%**	**3%**	**100%**

	Manufacturing	Retail	Service	Office	Institutional	Other
Downtown and Waterfront Area	3%	17%	30%	46%	27%	38%
Centres	1%	4%	4%	9%	2%	4%
Employment Districts - "Industrial"	81%	26%	24%	16%	5%	19%
Employment Districts - "Business Park"	3%	2%	1%	8%	1%	1%
Employment Areas Outside of Districts	8%	3%	5%	1%	0%	1%
Avenues	2%	24%	22%	10%	11%	11%
Mixed Use Areas Outside of Avenues	0%	21%	9%	7%	3%	3%
Institutional Areas	0%	0%	0%	0%	23%	1%
All Other Areas	1%	3%	3%	2%	28%	22%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Figure 7 Continued: Toronto Employment Matrix by Urban Structure Typology and Major Sector, 2011

	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	1%	6%	10%	66%	13%	4%	**100%**
Centres	1%	9%	8%	76%	5%	2%	**100%**
Employment Districts - "Industrial"	35%	13%	12%	33%	4%	3%	**100%**
Employment Districts - "Business Park"	7%	4%	4%	80%	4%	1%	**100%**
Employment Areas Outside of Districts	31%	13%	25%	28%	2%	2%	**100%**
Avenues	2%	22%	20%	40%	14%	3%	**100%**
Mixed Use Areas Outside of Avenues	1%	32%	15%	44%	8%	1%	**100%**
Institutional Areas	0%	0%	1%	2%	96%	1%	**100%**
All Other Areas	1%	4%	5%	13%	66%	10%	**100%**



Source: City of Toronto Employment Survey, 2011

Figure 8: Toronto Employment Matrix by Urban Structure Typology and Major Sector, 2006

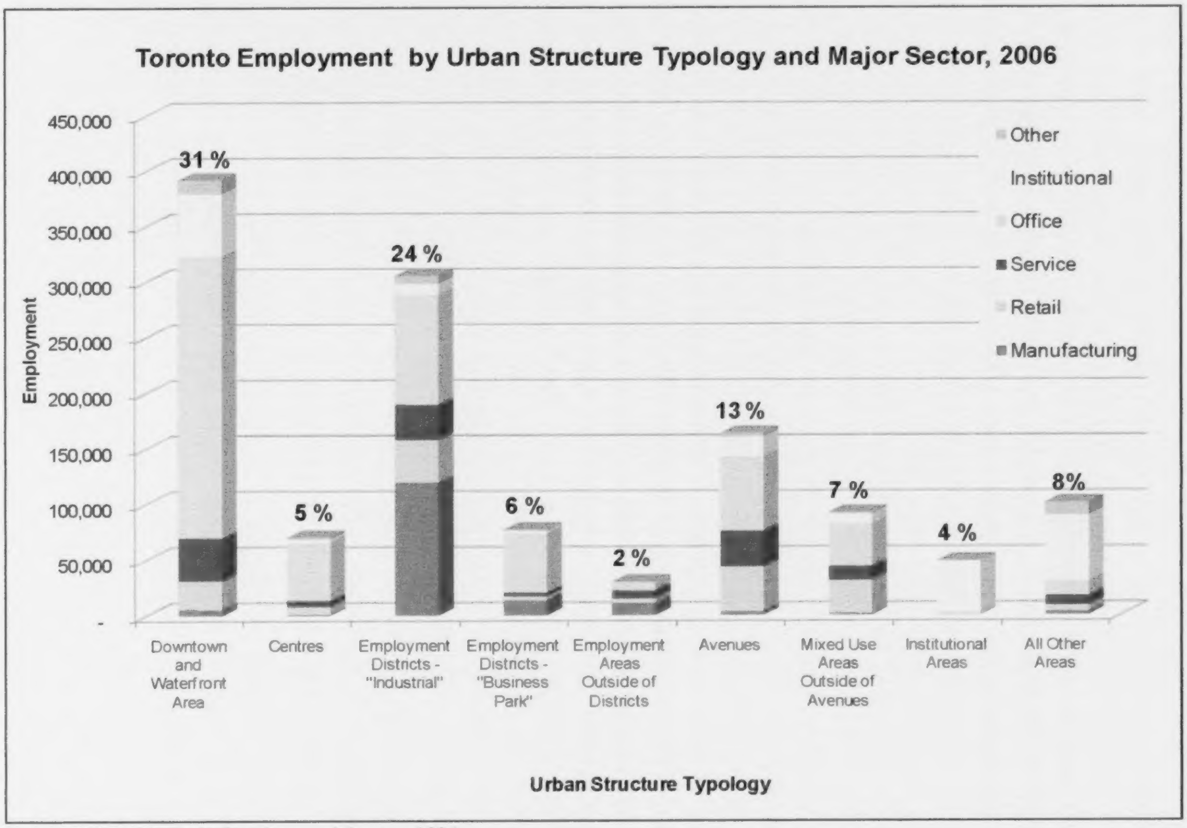
	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	5,300	25,700	38,600	253,600	56,200	12,600	**392,000**
Centres	800	7,100	5,400	52,400	2,900	1,600	**70,200**
Employment Districts - "Industrial"	124,200	40,500	32,300	102,800	10,500	7,100	**317,400**
Employment Districts - "Business Park"	7,800	2,100	2,400	49,500	2,400	500	**64,700**
Employment Areas Outside of Districts	10,500	4,300	7,100	7,000	600	200	**29,700**
Avenues	3,000	40,200	32,300	66,800	17,700	3,200	**163,200**
Mixed Use Areas Outside of Avenues	1,100	29,900	12,600	38,100	9,300	1,300	**92,300**
Institutional Areas	-	100	200	700	47,100	400	**48,500**
All Other Areas	2,400	6,400	8,000	13,300	58,800	11,200	**100,100**
TOTAL	**155,100**	**156,300**	**138,900**	**584,200**	**205,500**	**38,100**	**1,278,100**

	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	0%	2%	3%	20%	4%	1%	**31%**
Centres	0%	1%	0%	4%	0%	0%	**5%**
Employment Districts - "Industrial"	10%	3%	3%	8%	1%	1%	**25%**
Employment Districts - "Business Park"	1%	0%	0%	4%	0%	0%	**5%**
Employment Areas Outside of Districts	1%	0%	1%	1%	0%	0%	**2%**
Avenues	0%	3%	3%	5%	1%	0%	**13%**
Mixed Use Areas Outside of Avenues	0%	2%	1%	3%	1%	0%	**7%**
Institutional Areas	0%	0%	0%	0%	4%	0%	**4%**
All Other Areas	0%	1%	1%	1%	5%	1%	**8%**
TOTAL	**12%**	**12%**	**11%**	**46%**	**16%**	**3%**	**100%**

	Manufacturing	Retail	Service	Office	Institutional	Other
Downtown and Waterfront Area	3%	16%	28%	43%	27%	33%
Centres	1%	5%	4%	9%	1%	4%
Employment Districts - "Industrial"	80%	26%	23%	18%	5%	19%
Employment Districts - "Business Park"	5%	1%	2%	8%	1%	1%
Employment Areas Outside of Districts	7%	3%	5%	1%	0%	1%
Avenues	2%	26%	23%	11%	9%	8%
Mixed Use Areas Outside of Avenues	1%	19%	9%	7%	5%	3%
Institutional Areas	0%	0%	0%	0%	23%	1%
All Other Areas	2%	4%	6%	2%	29%	29%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Figure 8 Continued: Toronto Employment Matrix by Urban Structure Typology and Major Sector, 2006

	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	1%	7%	10%	65%	14%	3%	**100%**
Centres	1%	10%	8%	75%	4%	2%	**100%**
Employment Districts - "Industrial"	39%	13%	10%	32%	3%	2%	**100%**
Employment Districts - "Business Park"	12%	3%	4%	77%	4%	1%	**100%**
Employment Areas Outside of Districts	35%	14%	24%	24%	2%	1%	**100%**
Avenues	2%	25%	20%	41%	11%	2%	**100%**
Mixed Use Areas Outside of Avenues	1%	32%	14%	41%	10%	1%	**100%**
Institutional Areas	0%	0%	0%	1%	97%	1%	**100%**
All Other Areas	2%	6%	8%	13%	59%	11%	**100%**



Source: City of Toronto Employment Survey, 2006

Figure 9: Toronto Employment Matrix by Urban Structure Typology and Major Sector, 2001

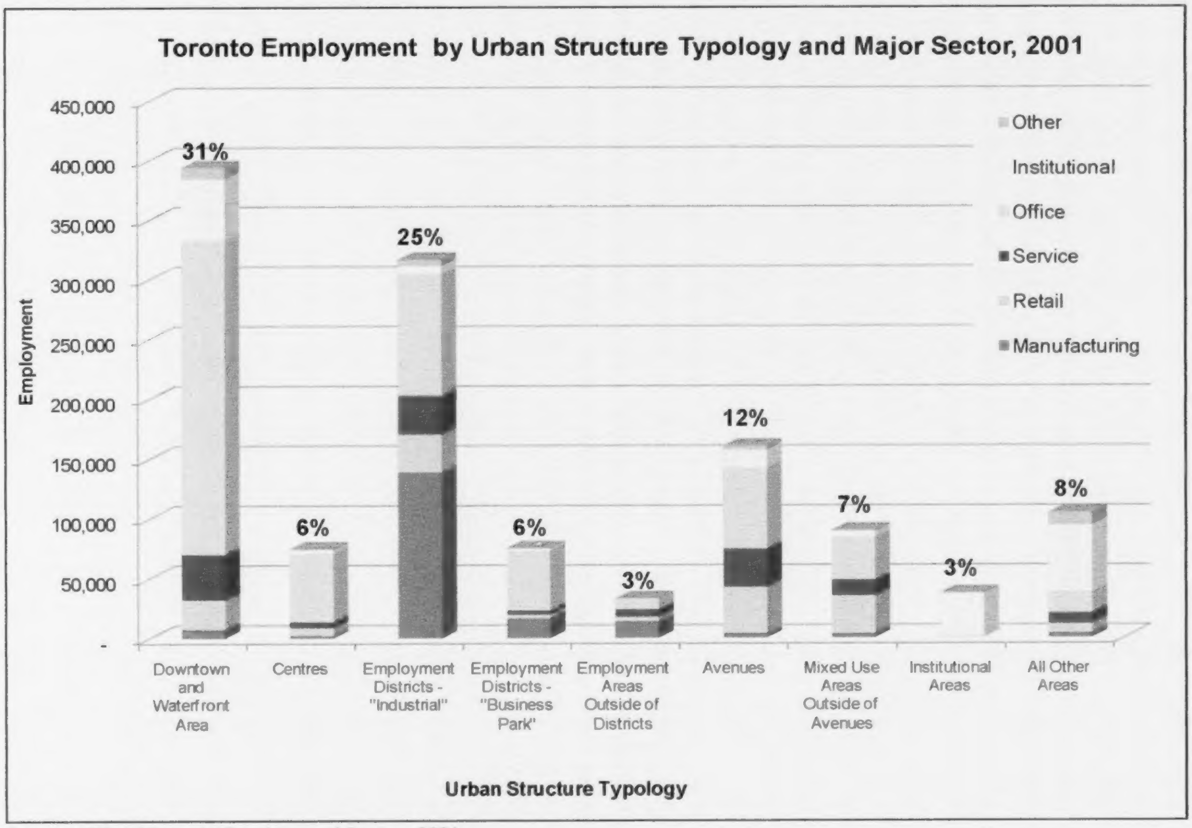
	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	7,200	24,900	37,700	262,900	51,600	9,800	**394,100**
Centres	1,900	6,600	4,900	57,300	2,900	1,100	**74,700**
Employment Districts - "Industrial"	144,400	33,400	33,800	104,700	7,500	5,500	**329,300**
Employment Districts - "Business Park"	10,400	1,700	2,200	46,600	1,800	200	**62,900**
Employment Areas Outside of Districts	13,400	4,000	6,400	8,300	600	300	**33,000**
Avenues	3,200	39,300	31,700	67,900	15,200	3,200	**160,500**
Mixed Use Areas Outside of Avenues	3,000	32,200	13,200	36,900	5,100	1,100	**91,500**
Institutional Areas	-	200	100	600	36,100	400	**37,400**
All Other Areas	3,300	8,100	9,100	16,200	55,700	10,800	**103,200**
TOTAL	**186,800**	**150,400**	**139,100**	**601,400**	**176,500**	**32,400**	**1,286,600**

	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	1%	2%	3%	20%	4%	1%	**31%**
Centres	0%	1%	0%	4%	0%	0%	**6%**
Employment Districts - "Industrial"	11%	3%	3%	8%	1%	0%	**26%**
Employment Districts - "Business Park"	1%	0%	0%	4%	0%	0%	**5%**
Employment Areas Outside of Districts	1%	0%	0%	1%	0%	0%	**3%**
Avenues	0%	3%	2%	5%	1%	0%	**12%**
Mixed Use Areas Outside of Avenues	0%	3%	1%	3%	0%	0%	**7%**
Institutional Areas	0%	0%	0%	0%	3%	0%	**3%**
All Other Areas	0%	1%	1%	1%	4%	1%	**8%**
TOTAL	**15%**	**12%**	**11%**	**47%**	**14%**	**3%**	**100%**

	Manufacturing	Retail	Service	Office	Institutional	Other
Downtown and Waterfront Area	4%	17%	27%	44%	29%	30%
Centres	1%	4%	4%	10%	2%	3%
Employment Districts - "Industrial"	77%	22%	24%	17%	4%	17%
Employment Districts - "Business Park"	6%	1%	2%	8%	1%	1%
Employment Areas Outside of Districts	7%	3%	5%	1%	0%	1%
Avenues	2%	26%	23%	11%	9%	10%
Mixed Use Areas Outside of Avenues	2%	21%	9%	6%	3%	3%
Institutional Areas	0%	0%	0%	0%	20%	1%
All Other Areas	2%	5%	7%	3%	32%	33%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Figure 9 Continued: Toronto Employment Matrix by Urban Structure Typology and Major Sector, 2001

	Manufacturing	Retail	Service	Office	Institutional	Other	TOTAL
Downtown and Waterfront Area	2%	6%	10%	67%	13%	2%	**100%**
Centres	3%	9%	7%	77%	4%	1%	**100%**
Employment Districts - "Industrial"	44%	10%	10%	32%	2%	2%	**100%**
Employment Districts - "Business Park"	17%	3%	3%	74%	3%	0%	**100%**
Employment Areas Outside of Districts	41%	12%	19%	25%	2%	1%	**100%**
Avenues	2%	24%	20%	42%	9%	2%	**100%**
Mixed Use Areas Outside of Avenues	3%	35%	14%	40%	6%	1%	**100%**
Institutional Areas	0%	1%	0%	2%	97%	1%	**100%**
All Other Areas	3%	8%	9%	16%	54%	10%	**100%**



Source: City of Toronto Employment Survey, 2001

Figure 10: Toronto Employment Growth by Urban Structure Typology and Major Sector, 2001-2006

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-1,800	800	900	-9,300	4,700	2,700	**-2,000**
Centres	-1,100	500	500	-4,900	0	500	**-4,500**
Employment Districts "Industrial"	-19,500	6,800	-800	-2,600	2,900	1,800	**-11,400**
Employment Districts "Business Parks"	-3,300	800	-500	3,500	800	200	**1,500**
Employment Areas Outside of Districts	-2,800	300	700	-1,400	0	-100	**-3,300**
Avenues	-200	900	700	-1,200	2,500	0	**2,700**
Mixed Use Areas Outside of Avenues	-1,900	-2,300	-500	2,400	4,000	200	**1,900**
Institutional Areas	0	-100	100	100	11,000	-100	**11,000**
All Other Areas	-900	-1,700	-1,100	-4,100	3,400	400	**-4,000**
TOTAL	**-31,500**	**6,000**	**0**	**-17,500**	**29,300**	**5,600**	**-8,100**

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-25%	3%	2%	-4%	9%	28%	**0%**
Centres	-57%	7%	10%	-9%	0%	46%	**-6%**
Employment Districts "Industrial"	-14%	22%	-2%	-3%	40%	35%	**-4%**
Employment Districts "Business Parks"	-20%	23%	-13%	7%	38%	41%	**2%**
Employment Areas Outside of Districts	-21%	6%	10%	-16%	-4%	-40%	**-10%**
Avenues	-7%	2%	2%	-2%	16%	-1%	**2%**
Mixed Use Areas Outside of Avenues	-64%	-7%	-4%	7%	79%	14%	**2%**
Institutional Areas	-55%	-68%	65%	23%	31%	-12%	**30%**
All Other Areas	-28%	-21%	-12%	-23%	6%	4%	**-4%**
TOTAL	**-17%**	**4%**	**0%**	**-3%**	**17%**	**17%**	**-1%**

Figure 11: Toronto Employment Growth by Urban Structure Typology and Major Sector, 2006-2011

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-1,000	-100	6,800	38,000	2,200	4,000	**49,900**
Centres	200	-500	500	5,900	700	200	**7,000**
Employment Districts "Industrial"	-18,800	-2,700	3,200	-3,100	700	1,300	**-19,400**
Employment Districts "Business Parks"	-4,400	500	-300	-2,100	100	100	**-6,100**
Employment Areas Outside of Districts	-500	0	1,100	2,200	100	300	**3,200**
Avenues	-300	-4,600	600	-900	5,600	1,500	**1,900**
Mixed Use Areas Outside of Avenues	-500	700	1,400	4,200	-2,100	0	**3,700**
Institutional Areas	0	100	400	400	3,900	0	**4,800**
All Other Areas	-1,400	-2,200	-2,900	-900	3,100	-1,400	**-5,700**
TOTAL	**-26,700**	**-8,800**	**10,800**	**43,700**	**14,300**	**6,000**	**39,300**

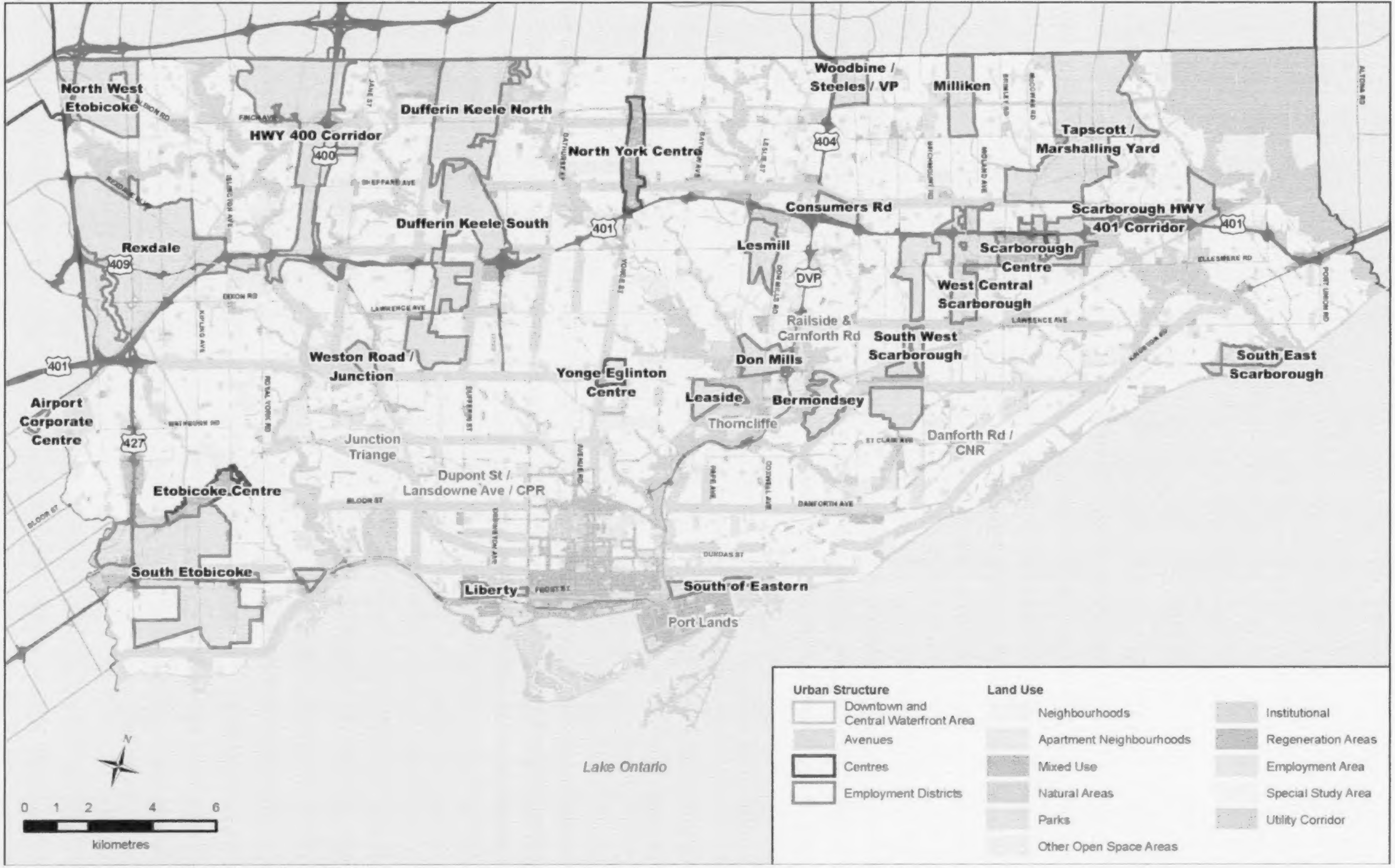
	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-18%	0%	18%	15%	4%	32%	**13%**
Centres	23%	-7%	10%	11%	24%	11%	**10%**
Employment Districts "Industrial"	-16%	-7%	10%	-3%	7%	18%	**-6%**
Employment Districts "Business Parks"	-34%	12%	-10%	-4%	4%	12%	**-8%**
Employment Areas Outside of Districts	-5%	-1%	15%	32%	12%	189%	**10%**
Avenues	-9%	-11%	2%	-1%	32%	47%	**1%**
Mixed Use Areas Outside of Avenues	-42%	2%	11%	11%	-23%	-2%	**4%**
Institutional Areas	120%	109%	190%	52%	8%	7%	**10%**
All Other Areas	-56%	-35%	-36%	-6%	5%	-12%	**-6%**
TOTAL	**-17%**	**-6%**	**8%**	**7%**	**7%**	**16%**	**3%**

Figure 12: Toronto Employment Growth by Urban Structure Typology and Major Sector, 2001-2011

	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-2,800	700	7,700	28,800	6,800	6,700	**47,900**
Centres	-900	0	1,000	1,000	700	700	**2,500**
Employment Districts "Industrial"	-38,300	4,100	2,500	-5,700	3,600	3,100	**-30,700**
Employment Districts "Business Parks"	-7,700	1,200	-800	1,500	900	200	**-4,700**
Employment Areas Outside of Districts	-3,400	200	1,700	900	0	200	**-400**
Avenues	-500	-3,600	1,200	-2,100	8,100	1,500	**4,600**
Mixed Use Areas Outside of Avenues	-2,400	-1,600	900	6,600	1,900	100	**5,500**
Institutional Areas	0	-100	400	500	14,900	0	**15,700**
All Other Areas	-2,300	-4,000	-4,000	-4,900	6,500	-1,000	**-9,700**
TOTAL	**-58,300**	**-3,100**	**10,600**	**26,600**	**43,400**	**11,500**	**30,700**

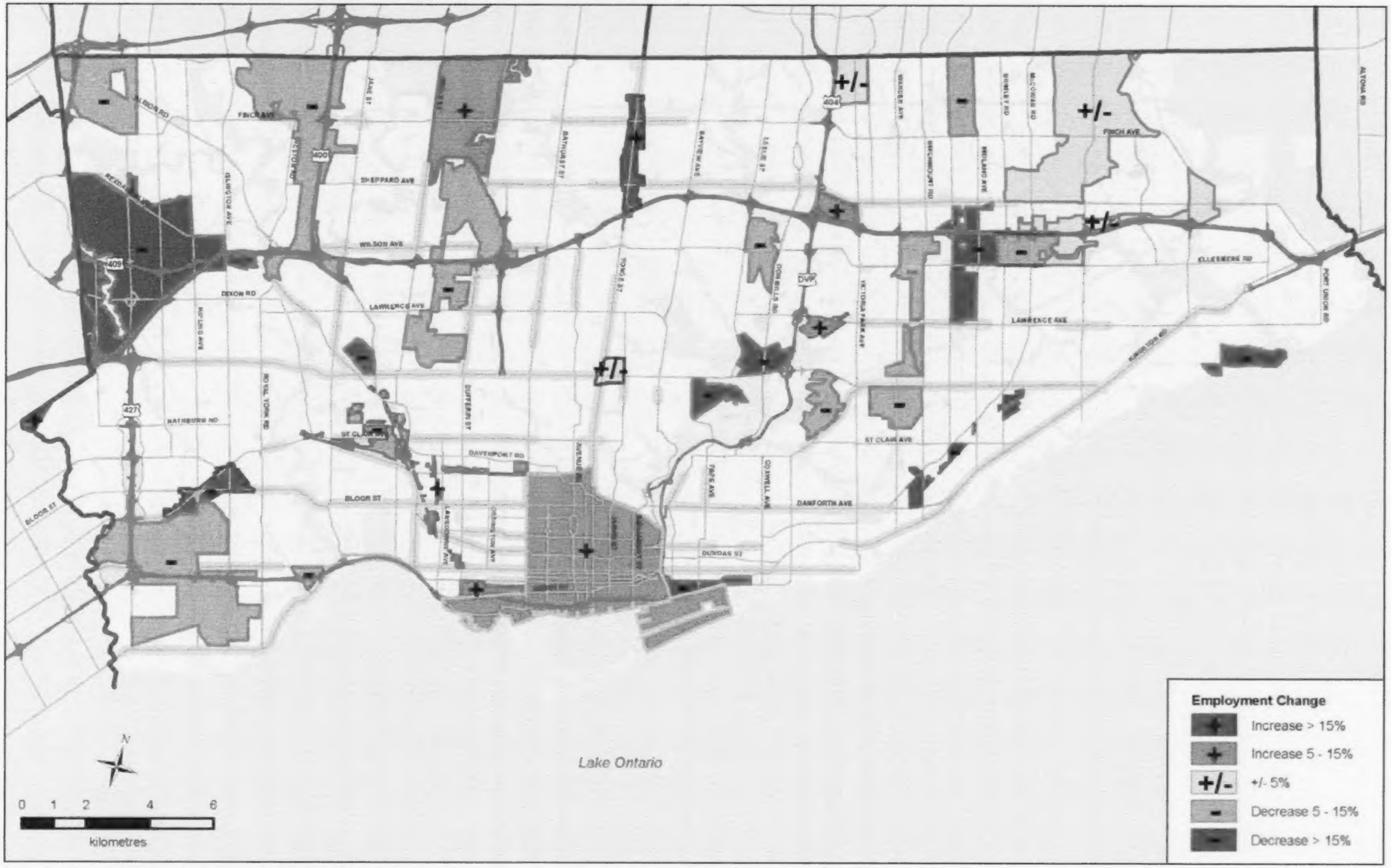
	Manu & W'housing	Retail	Service	Office	Inst'l	Other	TOTAL
Downtown and Waterfront Area	-39%	3%	20%	11%	13%	68%	**12%**
Centres	-47%	0%	21%	2%	24%	62%	**3%**
Employment Districts "Industrial"	-28%	13%	8%	-6%	50%	60%	**-10%**
Employment Districts "Business Parks"	-47%	38%	-22%	3%	44%	58%	**-6%**
Employment Areas Outside of Districts	-25%	5%	27%	10%	8%	74%	**-1%**
Avenues	-15%	-9%	4%	-3%	53%	46%	**3%**
Mixed Use Areas Outside of Avenues	-79%	-5%	7%	18%	38%	12%	**6%**
Institutional Areas	0%	-33%	379%	87%	41%	-6%	**42%**
All Other Areas	-69%	-49%	-44%	-28%	12%	-9%	**-9%**
TOTAL	**-31%**	**-2%**	**8%**	**4%**	**25%**	**36%**	**2%**

Figure 13: Typology of Employment Locations


North West Etobicoke
HWY 400 Corridor
Dufferin Keele North
North York Centre
Woodbine / Steeles / VP
Milliken
Tapscott / Marshalling Yard
Consumers Rd
Scarborough HWY 401 Corridor
Dufferin Keele South
Rexdale
Lesmill
Scarborough Centre
West Central Scarborough
Railside & Carnforth Rd
South West Scarborough
South East Scarborough
Weston Road / Junction
Yonge Eglinton Centre
Don Mills
Leaside
Bermondsey
Thorncliffe
Airport Corporate Centre
Junction Triangle
Danforth Rd / CNR
Dupont St / Lansdowne Ave / CPR
Etobicoke Centre
South Etobicoke
Liberty
South of Eastern
Port Lands
Lake Ontario
400
404
401
409
DVP
427
N
0 1 2 4 6
kilometres
Urban Structure
Downtown and Central Waterfront Area
Avenues
Centres
Employment Districts
Land Use
Neighbourhoods
Apartment Neighbourhoods
Mixed Use
Natural Areas
Parks
Other Open Space Areas
Institutional
Regeneration Areas
Employment Area
Special Study Area
Utility Corridor

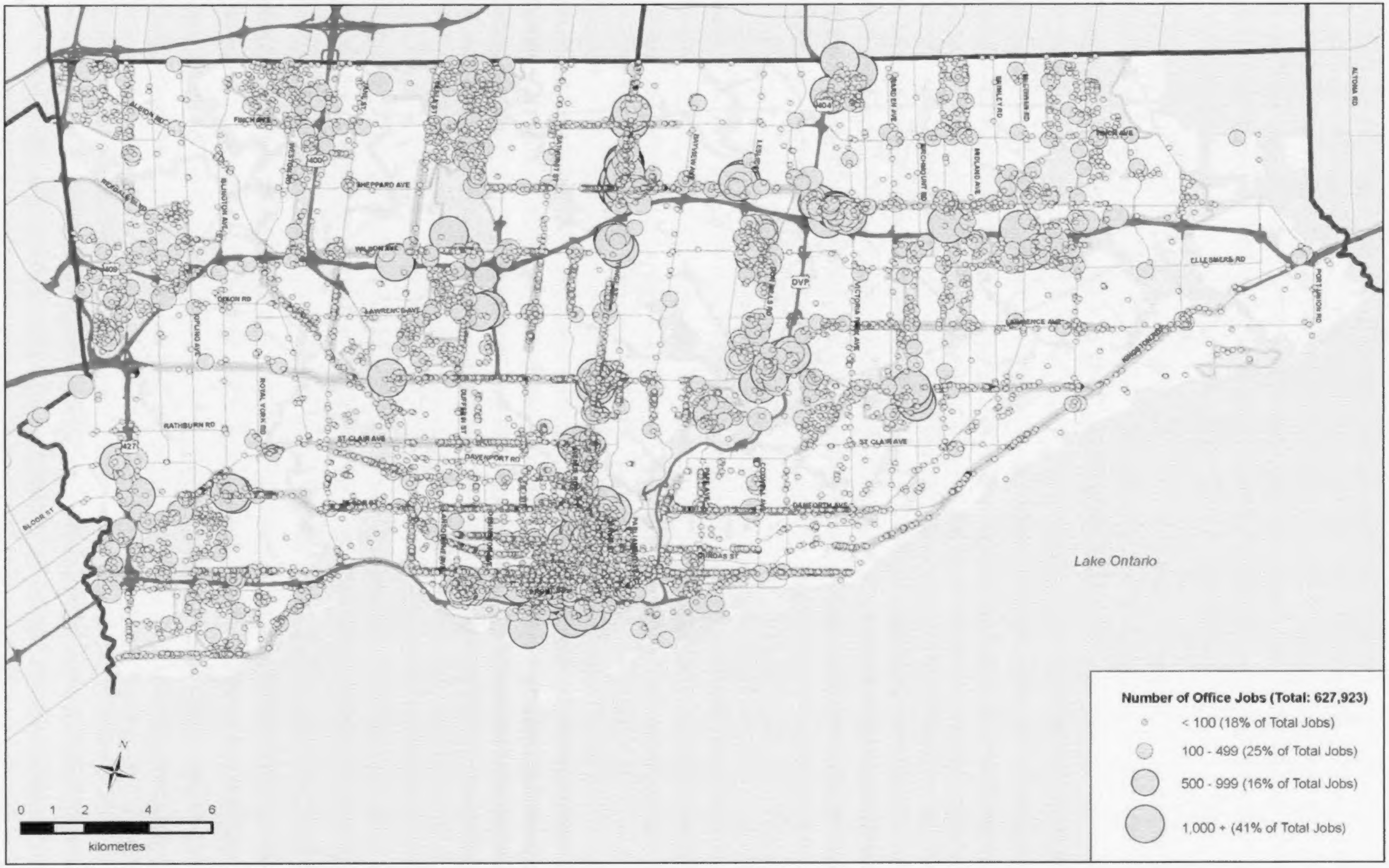
Source: City of Toronto Official Plan 2006.

Figure 14: Employment Growth vs. Decline by Employment District, 2001 to 2011


ALBION RD
FINCH AVE
JANE ST
400
SHEPPARD AVE
WILSON AVE
ISLINGTON AVE
409
DIXON RD
LAWRENCE AVE
BATHURST ST
BAYVIEW AVE
YONGE ST
LESLIE ST
404
WARDEN AVE
BRIMLEY RD
MCCOWAN RD
ALTONA RD
BIRCHMOUNT RD
MIDLAND AVE
FINCH AVE
ELLESMERE RD
DON MILLS RD
DVP
VICTORIA PARK AVE
LAWRENCE AVE
PORT UNION RD
KINGSTON RD
427
RATHBURN RD
ROYAL YORK RD
DUFFERIN ST
ST CLAIR AVE
DAVENPORT RD
BLOOR ST
BLOOR ST
LANSDOWNE AVE
OSSINGTON AVE
AVENUE RD
JARVIS ST
BROADVIEW AVE
PAPE AVE
COXWELL AVE
DANFORTH AVE
DUNDAS ST
ST CLAIR AVE
+/-
+
-
Lake Ontario
N
0 1 2 4 6
kilometres
Employment Change
Increase > 15%
Increase 5 - 15%
+/- 5%
Decrease 5 - 15%
Decrease > 15%

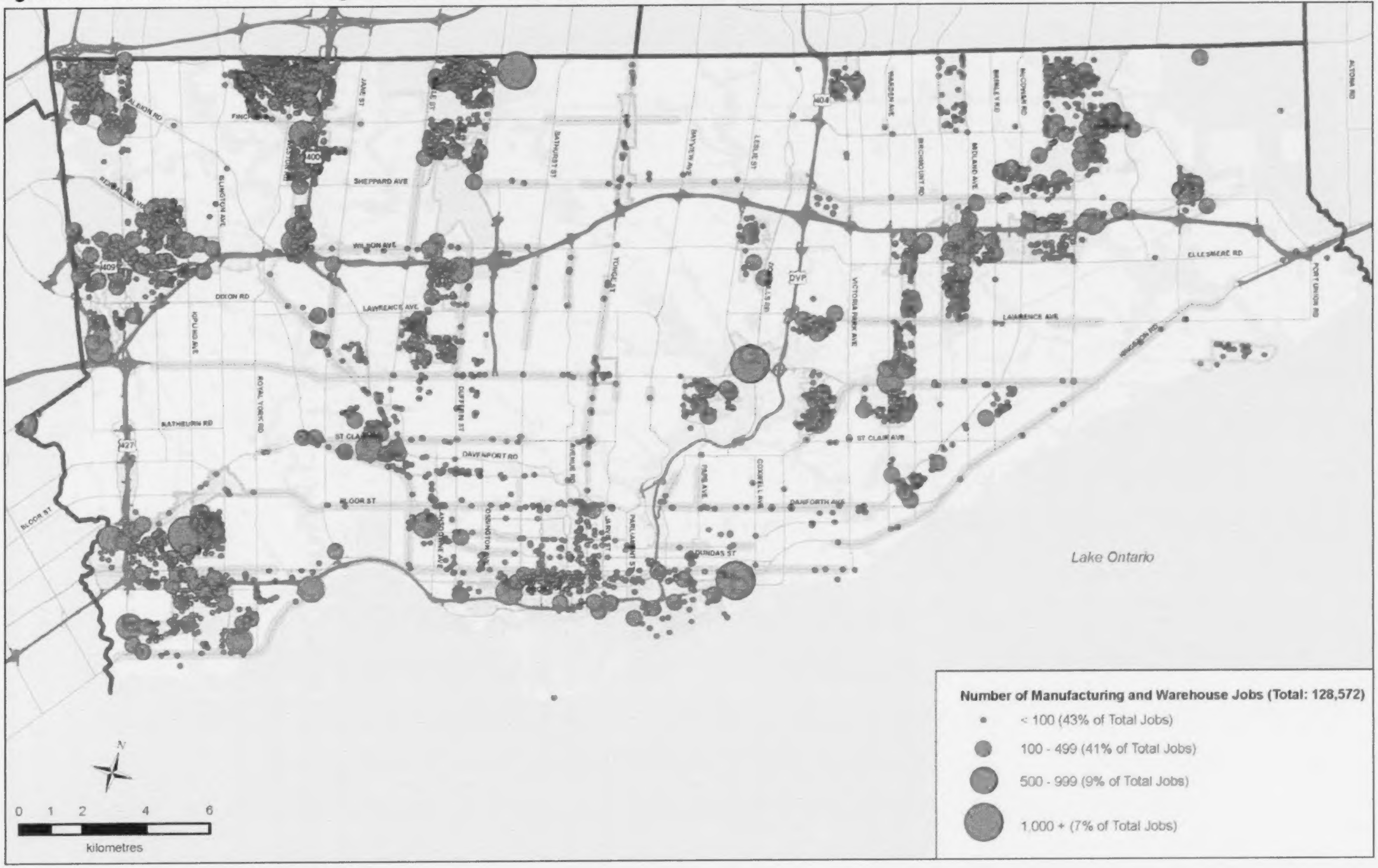
Source: Toronto Employment Survey 2011.

Figure 15: The Structure of Office Sector Employment by Locality, 2011


FINCH AVE
SHEPPARD AVE
WILSON AVE
LAWRENCE AVE
ST CLAIR AVE
DAVENPORT RD
BLOOR ST
DANFORTH AVE
DUNDAS ST
RATHBURN RD
DIXON RD
ELLESMERE RD
KINGSTON RD
DVP
401
404
400
409
427
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Office Jobs (Total: 627,923)
< 100 (18% of Total Jobs)
100 - 499 (25% of Total Jobs)
500 - 999 (16% of Total Jobs)
1,000 + (41% of Total Jobs)

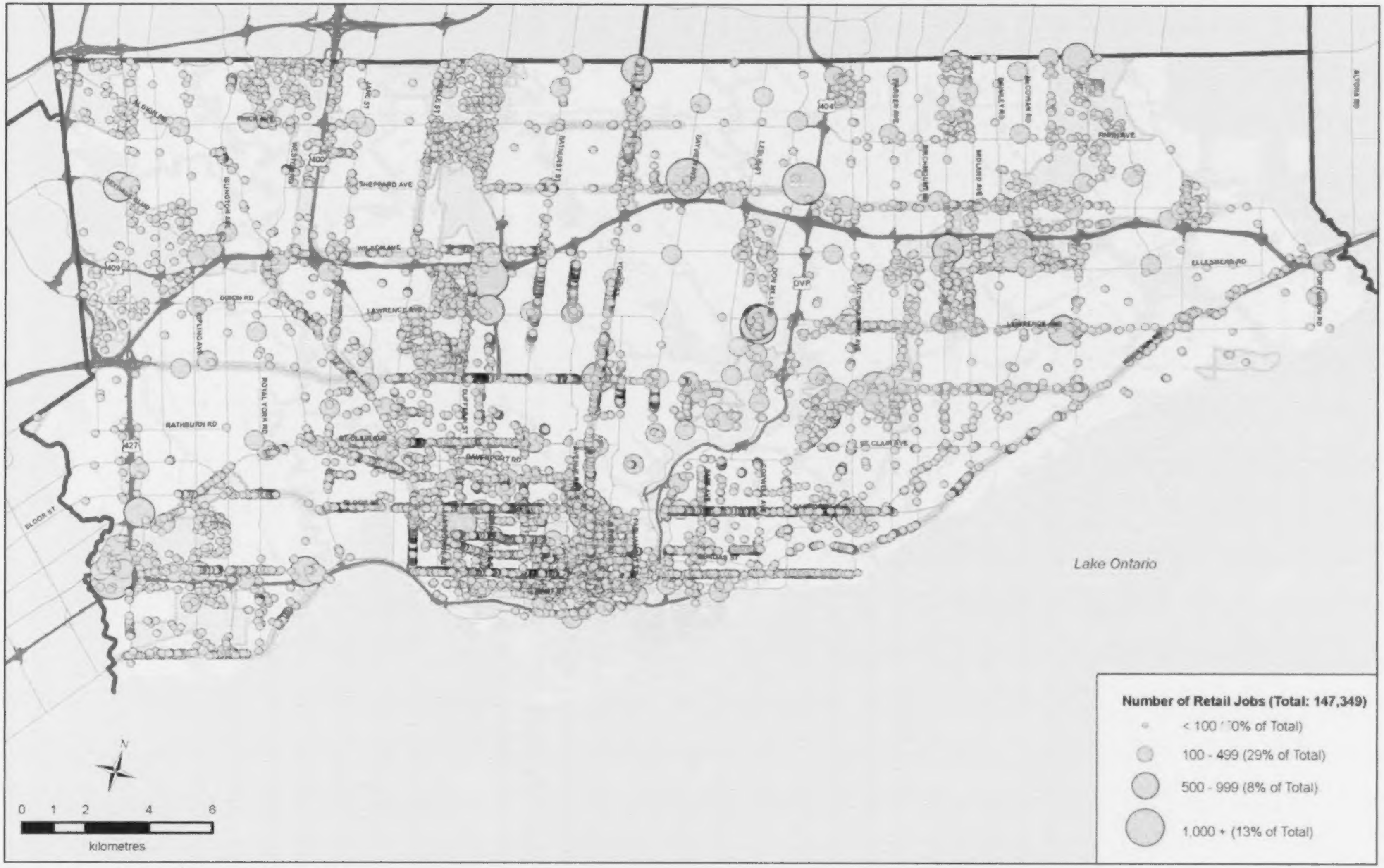
Source: Toronto Employment Survey 2011.

Figure 16: The Structure of Manufacturing and Warehouse Sector Employment by Locality, 2011


ALBION RD
FINCH
JANE ST
SHEPPARD AVE
WILSON AVE
DIXON RD
LAWRENCE AVE
BATHURST ST
YONGE ST
BAYVIEW AVE
LESLIE ST
DVP
404
400
409
427
VICTORIA PARK AVE
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
MCCOWAN RD
MARKHAM RD
ELLESMERE RD
LAWRENCE AVE
KINGSTON RD
PORT UNION RD
ALTONA RD
KIPLING AVE
ISLINGTON AVE
ROYAL YORK RD
DUFFERIN ST
ST CLAIR AVE
DAVENPORT RD
BLOOR ST
LANSDOWNE AVE
OSSINGTON AVE
AVENUE RD
JARVIS ST
PARLIAMENT ST
DUNDAS ST
PAPE AVE
COXWELL AVE
DANFORTH AVE
ST CLAIR AVE
BATHURST ST
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Manufacturing and Warehouse Jobs (Total: 128,572)
< 100 (43% of Total Jobs)
100 - 499 (41% of Total Jobs)
500 - 999 (9% of Total Jobs)
1,000 + (7% of Total Jobs)

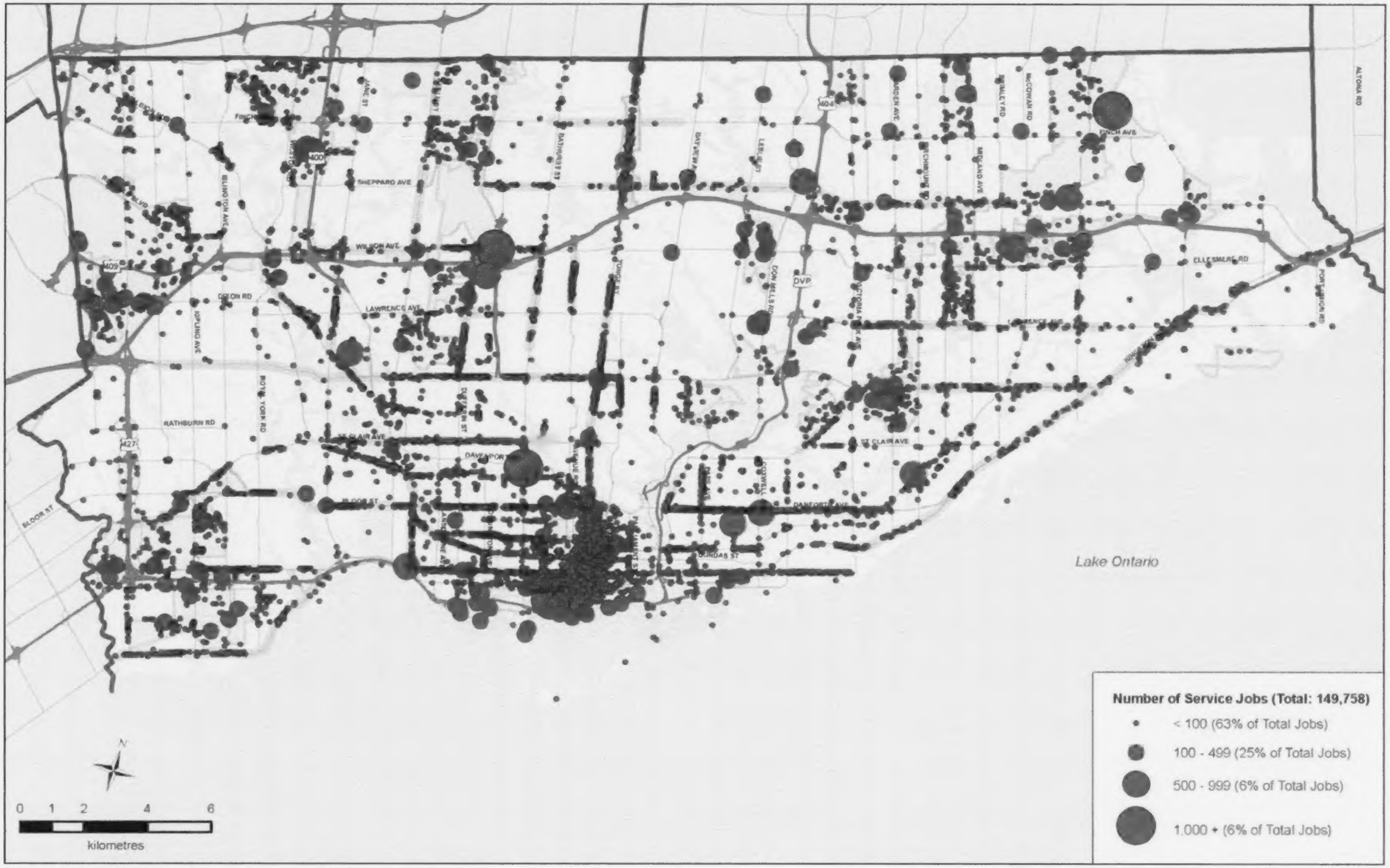
Source: Toronto Employment Survey 2011.

Figure 17: The Structure of Retail Sector Employment by Locality, 2011


ALBION RD
FINCH AVE
JANE ST
KEELE ST
WESTON RD
400
SHEPPARD AVE
BATHURST ST
DAVENPORT RD
BAYVIEW AVE
LESLIE ST
404
BIRCHMOUNT RD
BRIMLEY RD
MCCOWAN RD
MIDLAND AVE
FINCH AVE
409
WILSON AVE
DIXON RD
LAWRENCE AVE
ISLINGTON AVE
KIPLING AVE
YONGE ST
DON MILLS RD
DVP
VICTORIA PARK AVE
ELLESMERE RD
LAWRENCE AVE
PORT UNION RD
ALTONA RD
ROYAL YORK RD
RATHBURN RD
427
DUFFERIN ST
ST CLAIR AVE
ST CLAIR AVE
BLOOR ST
BLOOR ST
DUNDAS ST
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Retail Jobs (Total: 147,349)
< 100 ([illegible]0% of Total)
100 - 499 (29% of Total)
500 - 999 (8% of Total)
1,000 + (13% of Total)

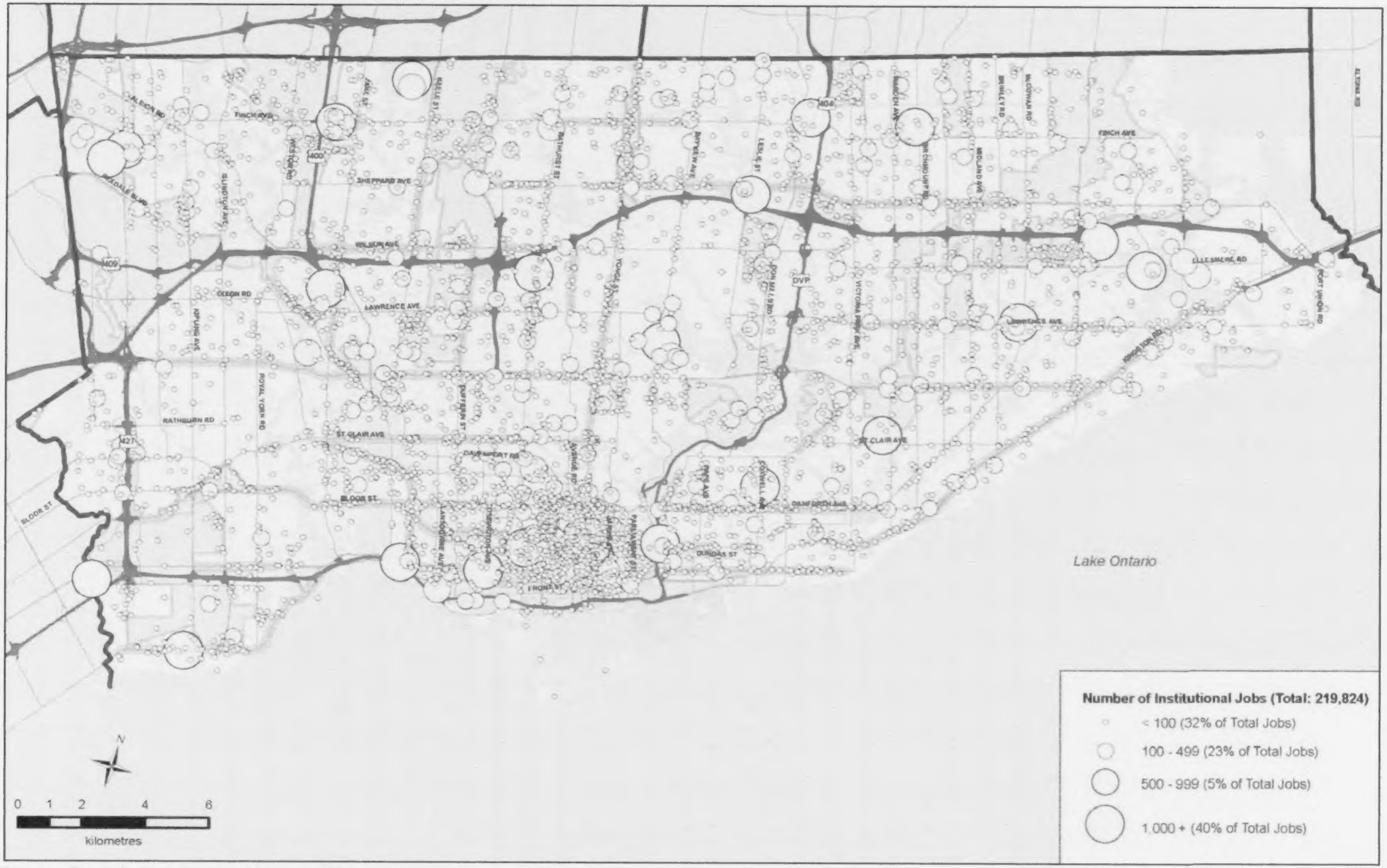
Source: Toronto Employment Survey 2011.

Figure 18: The Structure of Service Sector Employment by Locality, 2011


FINCH AVE
SHEPPARD AVE
WILSON AVE
LAWRENCE AVE
DIXON RD
KIPLING AVE
ISLINGTON AVE
JANE ST
BATHURST ST
BAYVIEW AVE
LESLIE ST
DON MILLS RD
VICTORIA PARK AVE
MIDLAND AVE
BRIMLEY RD
MCCOWAN RD
ALTONA RD
ELLESMERE RD
PORT UNION RD
KINGSTON RD
ST CLAIR AVE
DAVENPORT
BLOOR ST
DANFORTH AVE
DUNDAS ST
RATHBURN RD
ROYAL YORK RD
DUFFERIN ST
YONGE ST
DVP
400
401
404
409
427
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Service Jobs (Total: 149,758)
< 100 (63% of Total Jobs)
100 - 499 (25% of Total Jobs)
500 - 999 (6% of Total Jobs)
1,000 + (6% of Total Jobs)

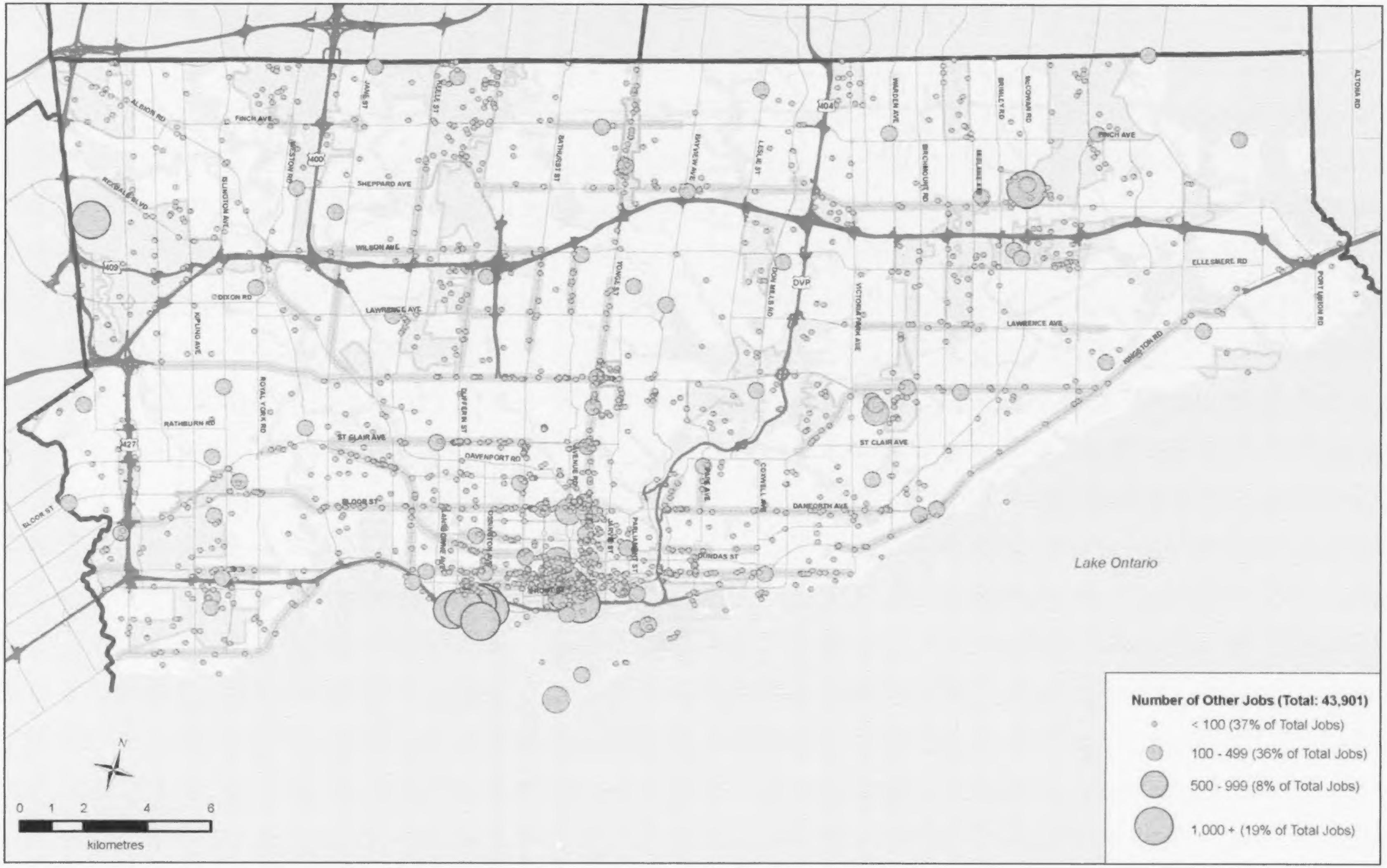
Source: Toronto Employment Survey 2011.

Figure 19: The Structure of Institutional Sector Employment by Locality, 2011


ALBION RD
FINCH AVE
SHEPPARD AVE
WILSON AVE
LAWRENCE AVE
DIXON RD
REXDALE BLVD
KIPLING AVE
ISLINGTON AVE
WESTON RD
KEELE ST
BATHURST ST
BAYVIEW AVE
LESLIE ST
YONGE ST
DON MILLS RD
VICTORIA PARK AVE
MARKHAM RD
MIDLAND AVE
BIRCHMOUNT RD
BRIMLEY RD
MCCOWAN RD
FINCH AVE
ELLESMERE RD
LAWRENCE AVE
KINGSTON RD
PORT UNION RD
ALTONA RD
DVP
400
401
404
409
427
RATHBURN RD
ROYAL YORK RD
ST CLAIR AVE
DAVENPORT RD
DUFFERIN ST
BLOOR ST
LANSDOWNE AVE
AVENUE RD
PARLIAMENT ST
DUNDAS ST
FRONT ST
DANFORTH AVE
ST CLAIR AVE
COXWELL AVE
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Institutional Jobs (Total: 219,824)
< 100 (32% of Total Jobs)
100 - 499 (23% of Total Jobs)
500 - 999 (5% of Total Jobs)
1,000 + (40% of Total Jobs)

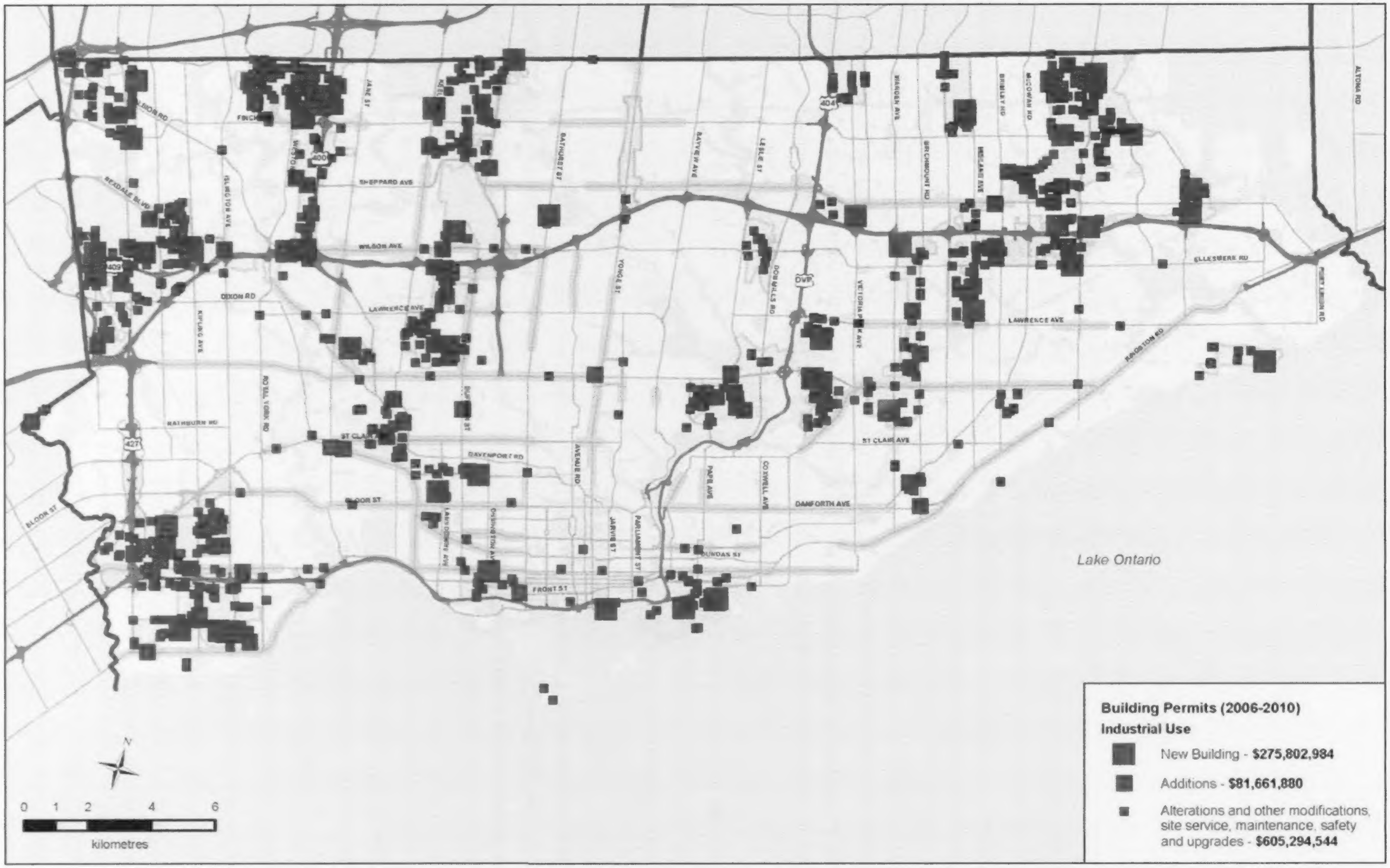
Source: Toronto Employment Survey 2011.

Figure 20: The Structure of "Other" Sector Employment by Locality, 2011


ALBION RD
FINCH AVE
REXDALE BLVD
ISLINGTON AVE
WESTON RD
400
JANE ST
KEELE ST
SHEPPARD AVE
BATHURST ST
YONGE ST
BAYVIEW AVE
LESLIE ST
404
WARDEN AVE
BIRCHMOUNT RD
BRIMLEY RD
McCOWAN RD
FINCH AVE
ALTONA RD
WILSON AVE
409
DIXON RD
KIPLING AVE
LAWRENCE AVE
DON MILLS RD
DVP
VICTORIA PARK AVE
ELLESMERE RD
PORT UNION RD
LAWRENCE AVE
KINGSTON RD
RATHBURN RD
ROYAL YORK RD
427
ST CLAIR AVE
DUFFERIN ST
DAVENPORT RD
AVENUE RD
ST CLAIR AVE
BLOOR ST
BLOOR ST
LANSDOWNE AVE
OSSINGTON AVE
JARVIS ST
PARLIAMENT ST
PAPE AVE
COXWELL AVE
DANFORTH AVE
DUNDAS ST
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Other Jobs (Total: 43,901)
< 100 (37% of Total Jobs)
100 - 499 (36% of Total Jobs)
500 - 999 (8% of Total Jobs)
1,000 + (19% of Total Jobs)

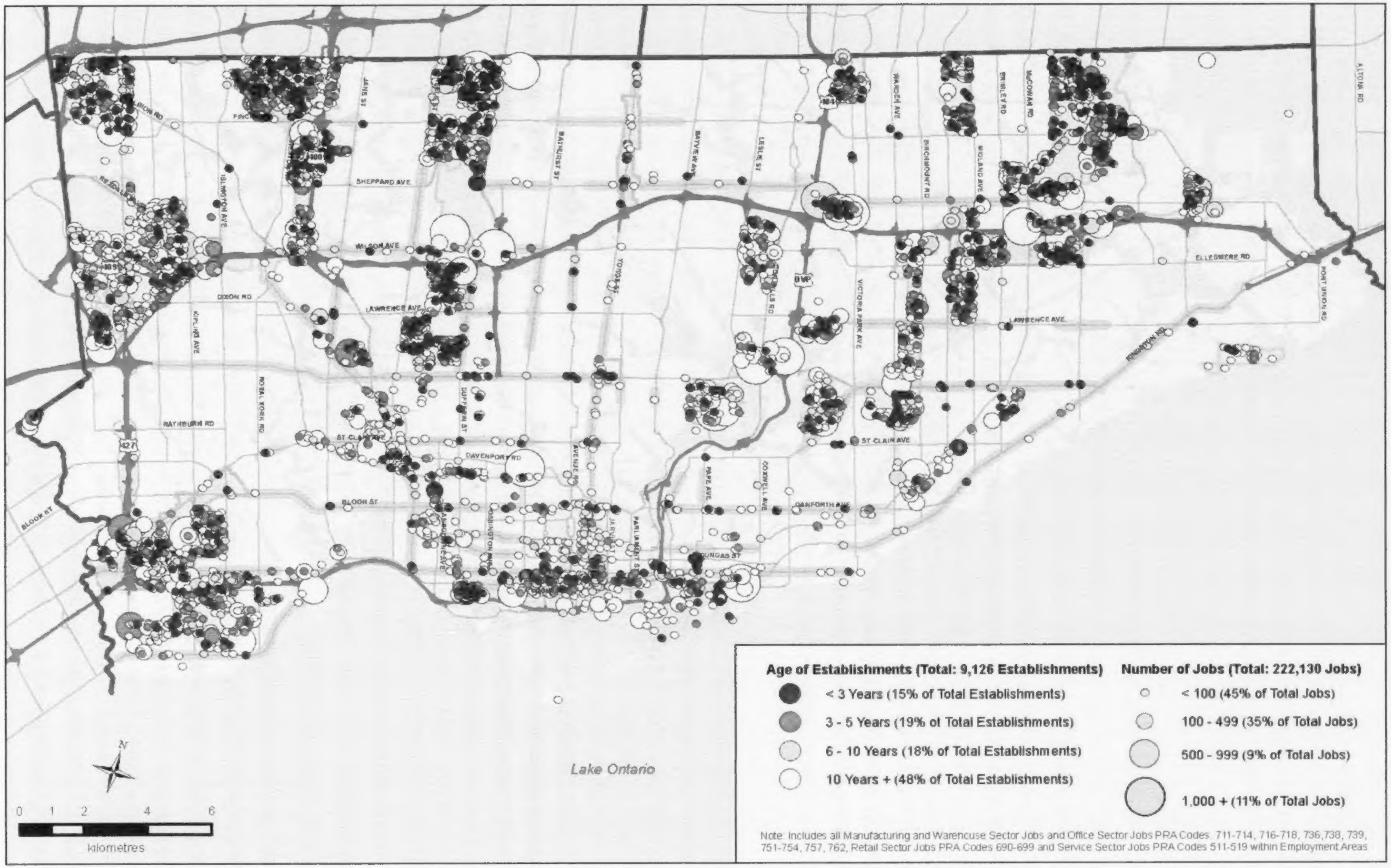
Source: Toronto Employment Survey 2011.

Figure 21: Re-Investment as Proxied by Building Permit Values


ALBION RD
FINCH
JANE ST
KEELE
WESTON
400
404
SHEPPARD AVE
WILSON AVE
BATHURST ST
BAYVIEW AVE
LESLIE ST
YONGE ST
DON MILLS RD
DVP
VICTORIA PARK AVE
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
MCCOWAN RD
ALTONA RD
ELLESMERE RD
PORT UNION RD
LAWRENCE AVE
KINGSTON RD
REXDALE BLVD
ISLINGTON AVE
409
DIXON RD
KIPLING AVE
LAWRENCE AVE
ROYAL YORK RD
RATHBURN RD
427
BLOOR ST
ST CLAIR
DUFFERIN ST
DAVENPORT RD
AVENUE RD
BLOOR ST
LANSDOWNE AVE
OSSINGTON AVE
JARVIS ST
PARLIAMENT ST
FRONT ST
DUNDAS ST
PAPE AVE
COXWELL AVE
DANFORTH AVE
ST CLAIR AVE
Lake Ontario
N
0 1 2 4 6
kilometres
Building Permits (2006-2010)
Industrial Use
New Building - $275,802,984
Additions - $81,661,880
Alterations and other modifications, site service, maintenance, safety and upgrades - $605,294,544

Source: City of Toronto Building Permits.

Figure 22: Re-Generation as Proxied by Manufacturing Establishment Age Profiles


STEELES AVE
FINCH
ALBION RD
REXDALE BLVD
ISLINGTON AVE
JANE ST
SHEPPARD AVE
WILSON AVE
DIXON RD
LAWRENCE AVE
KIPLING AVE
ROYAL YORK RD
BATHURST ST
YONGE ST
BAYVIEW AVE
LESLIE ST
DVP
401
400
409
427
VICTORIA PARK AVE
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
McCOWAN RD
ELLESMERE RD
PORT UNION RD
ALTONA RD
KINGSTON RD
RATHBURN RD
ST CLAIR AVE
DAVENPORT RD
DUFFERIN ST
BLOOR ST
BLOOR ST
DANFORTH AVE
DUNDAS ST
PAPE AVE
COXWELL AVE
PARLIAMENT ST
JARVIS ST
OSSINGTON AVE
LANSDOWNE AVE
AVENUE RD
Lake Ontario
N
0 1 2 4 6
kilometres
Age of Establishments (Total: 9,126 Establishments)
< 3 Years (15% of Total Establishments)
3 - 5 Years (19% of Total Establishments)
6 - 10 Years (18% of Total Establishments)
10 Years + (48% of Total Establishments)
Number of Jobs (Total: 222,130 Jobs)
< 100 (45% of Total Jobs)
100 - 499 (35% of Total Jobs)
500 - 999 (9% of Total Jobs)
1,000 + (11% of Total Jobs)
Note: Includes all Manufacturing and Warehouse Sector Jobs and Office Sector Jobs PRA Codes 711-714, 716-718, 736,738, 739, 751-754, 757, 762, Retail Sector Jobs PRA Codes 690-699 and Service Sector Jobs PRA Codes 511-519 within Employment Areas

Source: Toronto Employment Survey 2011.

Figure 23: Contribution to Municipal Assessment by Typology, 2011

Area	Total Non Res. Assessment ($)	2011 % of City
Downtown and Central Waterfront	$33,857,791,298	42.0%
Centres	$4,593,675,623	5.7%
Employment Districts – "Industrial"	$18,016,165,363	22.3%
Employment Districts – "Business Park"	$2,174,996,394	2.7%
Employment Areas Outside of Districts	$1,448,098,729	1.8%
Avenues	$12,506,551,433	15.5%
Mixed Use Areas Outside of Avenues	$4,496,001,864	5.6%
Institutional Areas	$110,077,178	0.1%
All Other Areas	$3,452,363,503	4.3%
Total	**$80,655,721,385**	**100%**

APPENDIX 3A.2:

INDUSTRIAL SPACE PROFILE

TABLE OF CONTENTS

1.0 Introduction

2.0 Industrial Inventory And New Supply – By Municipality

3.0 Inventory By Employment District And Employment Areas, And Other Locations

4.0 Absorption, New Supply And Vacancy Rate Trend

5.0 Rental Rate Trends

6.0 Statistical Summary

7A Year Built – GTA Major Submarket

7B Year Built – City Of Toronto (Former Municipalities)

8A Ceiling Height – GTA Major Submarkets

8B Ceiling Height – City Of Toronto (Former Municipalities)

9A Vacancy Rate – GTA And Major Submarkets

9B Vacancy Rate – City Of Toronto (Former Municipalities)

10A Rental Rate – GTA And Major Submarkets

10B Rental Rate – City Of Toronto

11.0 Conclusions

APPENDIX 3A.2:
INDUSTRIAL SPACE PROFILE

SUMMARY

Industrial space in the City of Toronto is home to 128,500 Manufacturing & Warehouse jobs, and to most of the other 270,500 jobs present in the city's Employment Districts and Employment Areas.

The Greater Toronto Area (GTA) has an industrial inventory of approximately 839 million sq. ft., and ranks in the top three markets in North America. The inventory of space in the GTA is divided into four broad submarkets: GTA Central (City of Toronto), GTA West, GTA North, and GTA East. While GTA Central accounts for 34% (288 million sq. ft.) of the total GTA inventory, it has only seen a 6% share of new industrial supply since 2000.

Within GTA Central, the five largest Employment Districts account for almost 50% of the industrial inventory. Roughly 13% of the city's industrial stock is found outside of Employment Districts and Employment Areas.

Vacancy rates in the GTA remained between 4.5% and 5.7% from 1998 through 2007, but surged to nearly 7% following the 2008 recession. Average net rental rates remained stable from 2000 through 2008, but declined 15% from the peak in 2007. There are, however, signs that the market has rebounded, with an accelerating rate of absorption through 2010 and 2011 and a general belief that rental rates have "hit bottom".

A considerable portion of Toronto's industrial inventory dates from the 1950s through 1970. The inventory in the former City of Toronto, East York and York is predominantly pre-1960s construction, whereas approximately 65-80% of the stock in the former Etobicoke, North York and Scarborough was built post 1960.

New industrial construction has consisted of buildings with ceiling heights in excess of 20' in order to accommodate vertical warehousing and distribution systems utilized by modern industrial users.

In the current City of Toronto, over 70% of the stock has less than 16' clear height; however, even with the these lower heights, the stock in the GTA Central has remained in demand and sustained the lowest vacancy rate at less than 2% over the past decade.

Overall, there are encouraging signs pointing towards renewed space demand and declining vacancy rates in each submarket.

1.0 Introduction

The industrial space profile gives an overview of historic and current market dynamics across the Greater Toronto Area and at the City of Toronto level. Industrial space is home to the 128,500 Manufacturing & Warehouse jobs captured in the Toronto Employment Survey (2011) (see Figures 1 and 2). It also supports many of the 270,500 other sector jobs located in the city's Employment Districts and Areas. This profile is intended to provide a foundation for determining the prospects for additional employment land requirements in Toronto over the forecast period.

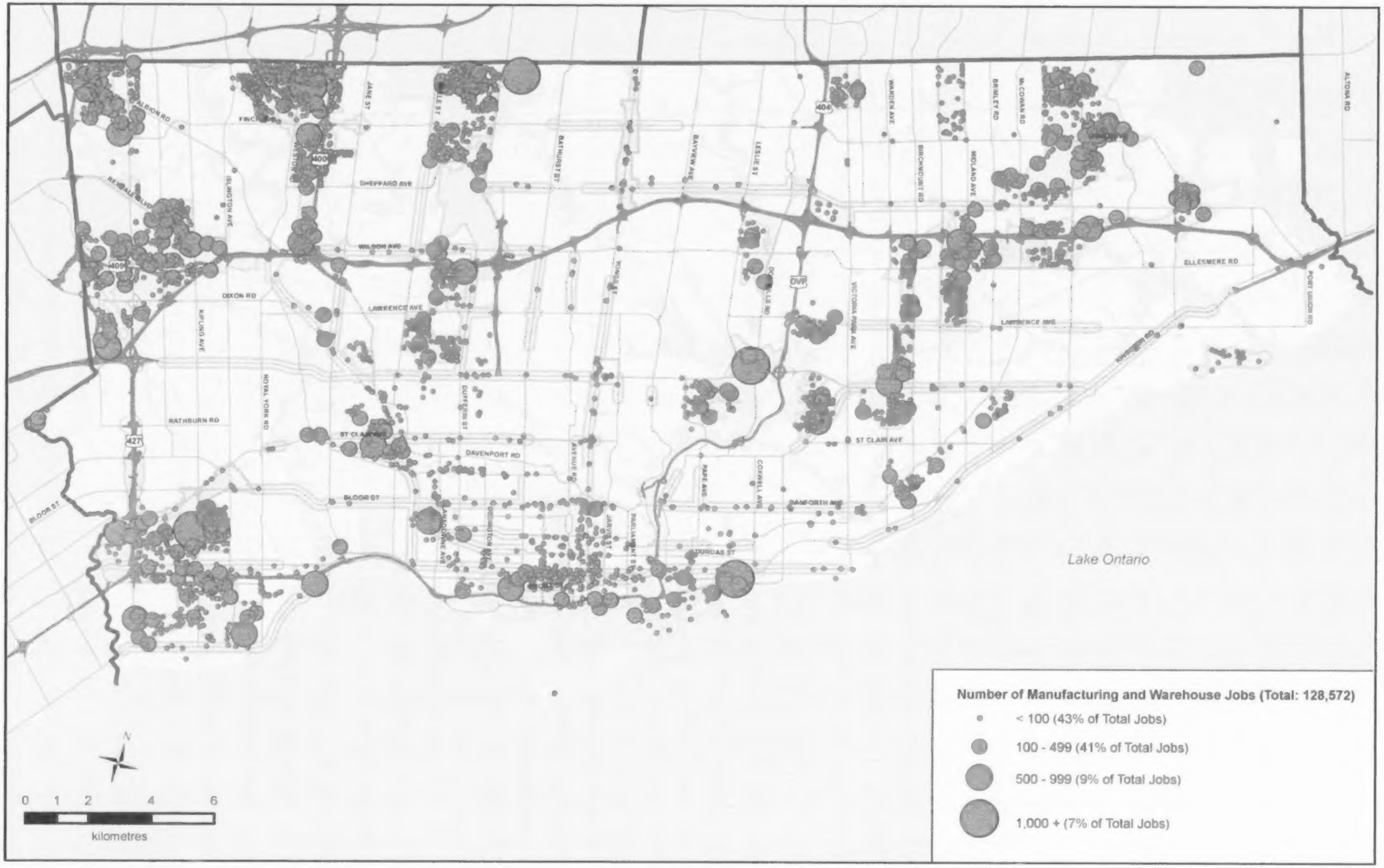
2.0 Industrial Inventory and New Supply – by Municipality

The Greater Toronto Area has an industrial inventory of approximately 839 million sq. ft., and ranks in the top three markets in North America (behind Chicago and Los Angeles). The GTA market extends from Lake Ontario to Newmarket and from Ajax to Burlington. Proximity to the U.S. and a large growing population base has allowed the Toronto region to prosper in the past as a major manufacturing centre, as well as a warehouse distribution hub. The inventory of industrial space is divided into four broad submarkets: GTA West (362 million sq. ft.); GTA Central/City of Toronto (288 million sq. ft.); GTA North (158 million sq. ft.); and GTA East (30 million sq. ft.). Cushman & Wakefield's quarterly industrial market survey data is presented at the municipal level (and in the case of Toronto, it is broken down at the former municipality level).

As seen in Figure 3, Mississauga ranks first (with an inventory of 180 million sq. ft.), followed by Brampton (97 million sq. ft.) and Vaughan (93 million sq. ft.) among GTA municipalities. The City of Toronto former municipalities of Etobicoke, North York and Scarborough rank fourth through sixth, respectively.

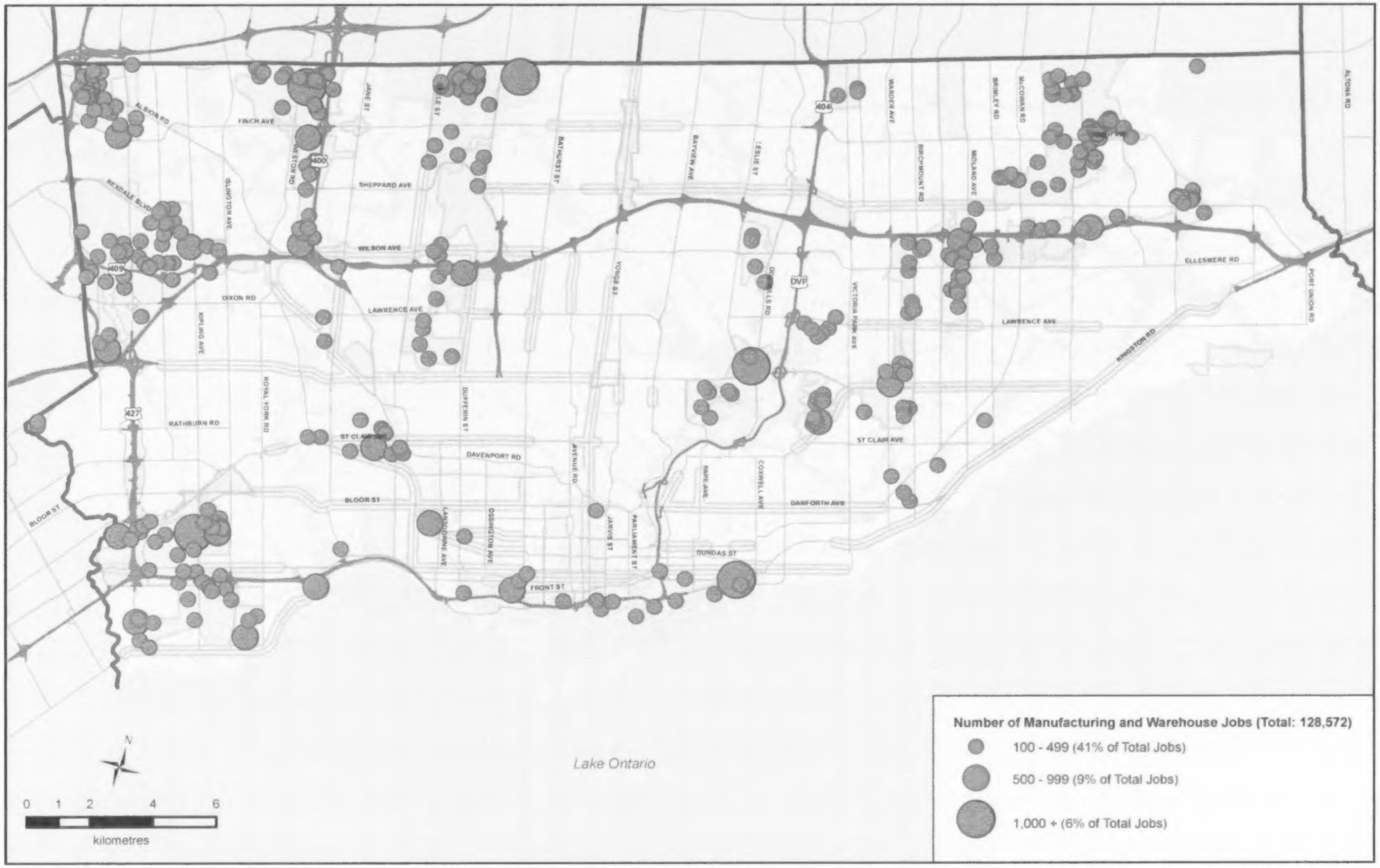
While GTA Central (the City of Toronto) accounts for a 34% share of the GTA inventory of industrial space, it has only recorded a 6% share of total new industrial supply since 2000 (Figure 3). Overwhelmingly, the majority of this new supply has been attracted to the GTA West market – particularly Mississauga and Brampton. Vaughan, which is situated in GTA North, has been the third largest source of new supply additions.

Figure 1: Manufacturing and Warehouse Jobs (including locations with less than 100 employees)


ALBION RD
FINCH AVE
400
JANE ST
KEELE ST
SHEPPARD AVE
REXDALE BLVD
ISLINGTON AVE
WILSON AVE
409
DIXON RD
KIPLING AVE
LAWRENCE AVE
ROYAL YORK RD
RATHBURN RD
427
BLOOR ST
ST CLAIR AVE
DAVENPORT RD
DUFFERIN ST
BATHURST ST
AVENUE RD
YONGE ST
BAYVIEW AVE
LESLIE ST
DON MILLS RD
DVP
404
VICTORIA PARK AVE
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
MCCOWAN RD
ELLESMERE RD
LAWRENCE AVE
KINGSTON RD
PORT UNION RD
ALTONA RD
ST CLAIR AVE
PAPE AVE
COXWELL AVE
DANFORTH AVE
DUNDAS ST
JARVIS ST
PARLIAMENT ST
OSSINGTON AVE
LANSDOWNE AVE
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Manufacturing and Warehouse Jobs (Total: 128,572)
< 100 (43% of Total Jobs)
100 - 499 (41% of Total Jobs)
500 - 999 (9% of Total Jobs)
1,000 + (7% of Total Jobs)

Source: Toronto Employment Survey, 2011

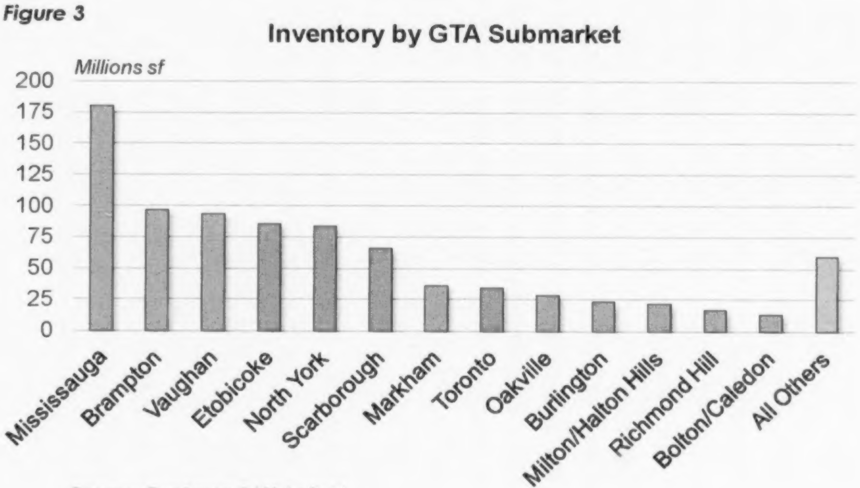
Figure 2: Manufacturing and Warehouse Jobs (locations with more than 100 employees)


ALBION RD
FINCH AVE
JANE ST
KEELE ST
WESTON RD
400
SHEPPARD AVE
BATHURST ST
BAYVIEW AVE
LESLIE ST
404
WARDEN AVE
BRIMLEY RD
McCOWAN RD
BIRCHMOUNT RD
MIDLAND AVE
ALTONA RD
REXDALE BLVD
ISLINGTON AVE
WILSON AVE
409
DIXON RD
LAWRENCE AVE
YONGE ST
DON MILLS RD
DVP
VICTORIA PARK AVE
ELLESMERE RD
PORT UNION RD
KIPLING AVE
LAWRENCE AVE
KINGSTON RD
427
RATHBURN RD
ROYAL YORK RD
DUFFERIN ST
ST CLAIR AVE
DAVENPORT RD
AVENUE RD
PAPE AVE
COXWELL AVE
ST CLAIR AVE
BLOOR ST
BLOOR ST
DANFORTH AVE
LANSDOWNE AVE
OSSINGTON AVE
JARVIS ST
PARLIAMENT ST
DUNDAS ST
FRONT ST
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Manufacturing and Warehouse Jobs (Total: 128,572)
● 100 - 499 (41% of Total Jobs)
● 500 - 999 (9% of Total Jobs)
● 1,000 + (6% of Total Jobs)

Source: Toronto Employment Survey, 2011

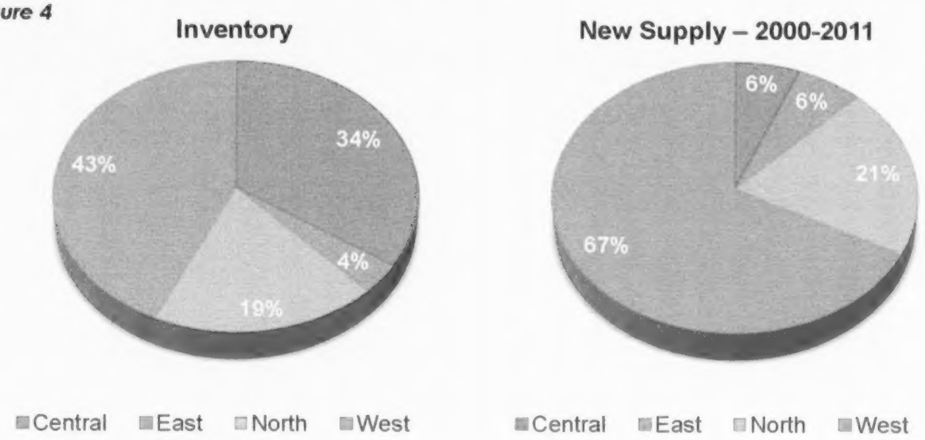
APPENDIX 3A.2

Figure 3



Source: Cushman & Wakefield

Figure 4



Source: Cushman & Wakefield

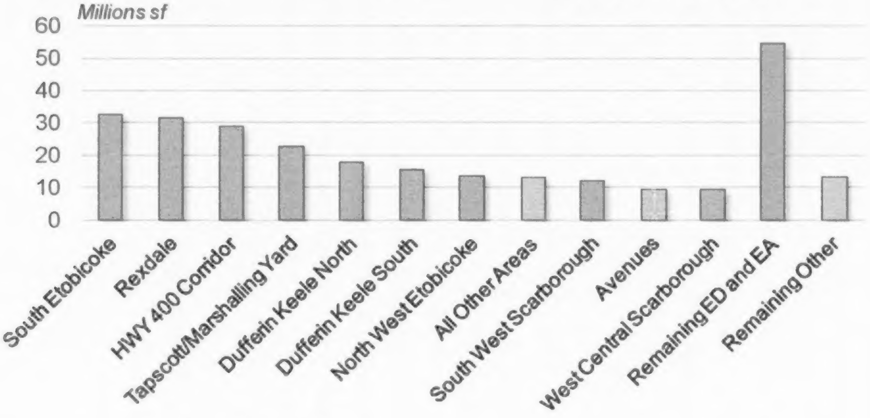
3.0 Inventory by Employment District and Employment Areas, and Other Locations

Within the City of Toronto, the industrial building inventory is dispersed among various Employment Districts, Employment Areas, and other locations (such as Avenues, Downtown and Waterfront). Among these geographies, the five largest Districts account for almost 50% of the industrial inventory, in terms of square footage. The five largest areas are South Etobicoke, Rexdale, Highway 427 Corridor, Tapscott/Marshalling Yard, and Dufferin Keele North.

Another notable observation regarding the distribution of industrial space within the City of Toronto is that 13% of industrial stock is found outside of Employment Districts and Employment Areas.

Overall, the various geographies exhibit different characteristics in terms of the age and function of the buildings, the typical building size and ceiling clear height, proximity to highways, and achievable rental rates, among other factors. Industrial developments in Etobicoke and Scarborough benefit from proximity to a large and low cost labour market. On the other hand, value-added firms that have located in more central locations such as the former City of Toronto are willing to pay higher rents for access to a skilled and growing labour pool.

Figure 5 **City of Toronto Industrial Inventory by Geography**



Source: Cushman & Wakefield

4.0 Absorption, New Supply and Vacancy Rate Trends

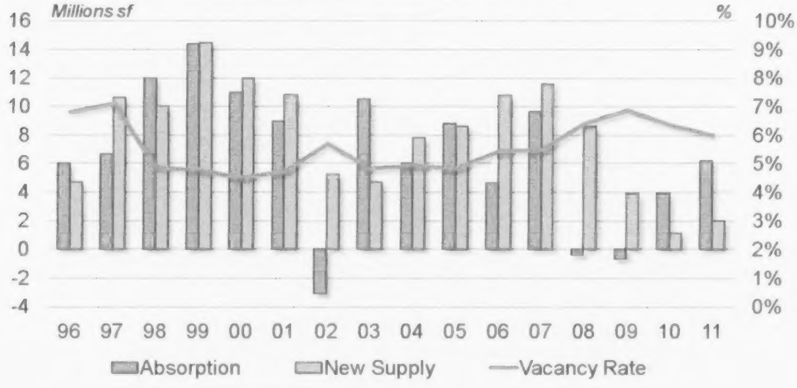
With ongoing demand for modern, high ceiling buildings, new construction accelerated through the middle portion of the 2000s, coupled with associated strong economic growth across the GTA (up until the onset of the economic downturn in the second half of 2008). In particular, demand has focused on buildings for transportation, warehousing and logistics operations in the GTA West suburban markets of Mississauga and Brampton.

The westward expansion of the GTA industrial market has been driven by several factors, including: the availability of land; excellent multiple highway access; relatively low property taxes; proximity to Toronto International Airport; and, a growing suburban business clientele and labour pool. While Brampton and Mississauga have attracted much of the growth in new high cube distribution facilities, Vaughan has also seen substantial new manufacturing premises constructed as well as distribution space.

The peak vacancy rates accompanying the recession of the early 1990s were driven by an excess of new supply, and compounded by significant job losses in industrial-type employment – in particular, manufacturing. Following the recovery from the effects of the recession, the GTA vacancy rate remained in a very stable range between 4.5% and 5.7% for the ten year period from 1998 through 2007 (Figure 5). While employment growth has continued for many forms of industrial-type employment – particularly the warehousing, distribution and transportation sectors – manufacturing sector job losses that pre-dated the 2008 recession placed upward pressure on vacancy levels during 2008 and 2009.

New supply remaining in the pipeline saw unmet demand in 2008 and 2009, as industrial market absorption fell dramatically (to a slightly negative figure). This drove up the vacancy rate to almost 7% – a level not seen in for the prior 12 years. New construction slowed in response to weak demand, higher vacancy and lower achievable rental rates. However, the market appears to have rebounded, with an accelerating pace of absorption indicating renewed tenant demand for space through 2010 and 2011. Long-term average annual new supply is approximately 8.3 million sq. ft.; however, just 2 million sq. ft. was built in 2011 across the GTA.

Figure 6 **Industrial Market Conditions – GTA**

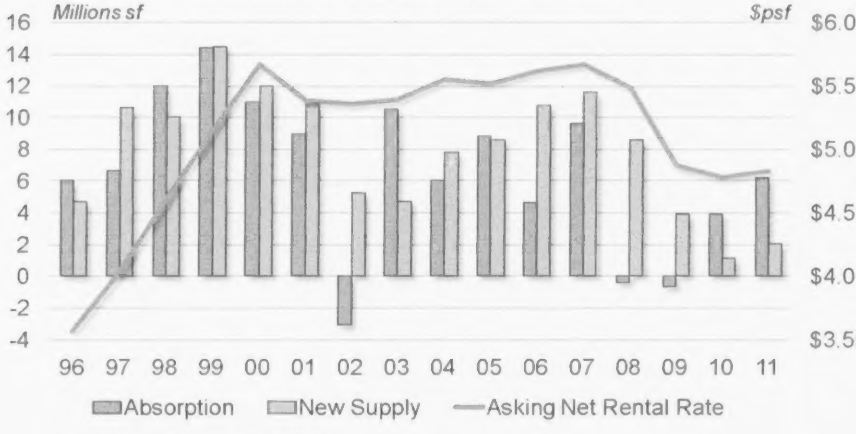


Source: Cushman & Wakefield

5.0 Rental Rate Trends

The average asking net rental rate remained in a very stable range of $5.35 to $5.65 psq. ft. during the 2000 through 2008 period. However, the economic recession dramatically impacted demand for space, causing the vacancy level to rise and driving down rental rates (Figure 6). Asking net rental rates have declined 15% from the 2007 peak. Notably, vacancy rate stability in 2010-2011 has slowed rental rate softening, and there is generally a belief that we've "hit bottom".

Figure 7 **Industrial Market Conditions – GTA**



Source: Cushman & Wakefield

6.0 Statistical Summary

Figure 8, below, presents a statistical summary for the GTA municipalities, as at 2011 Q4.

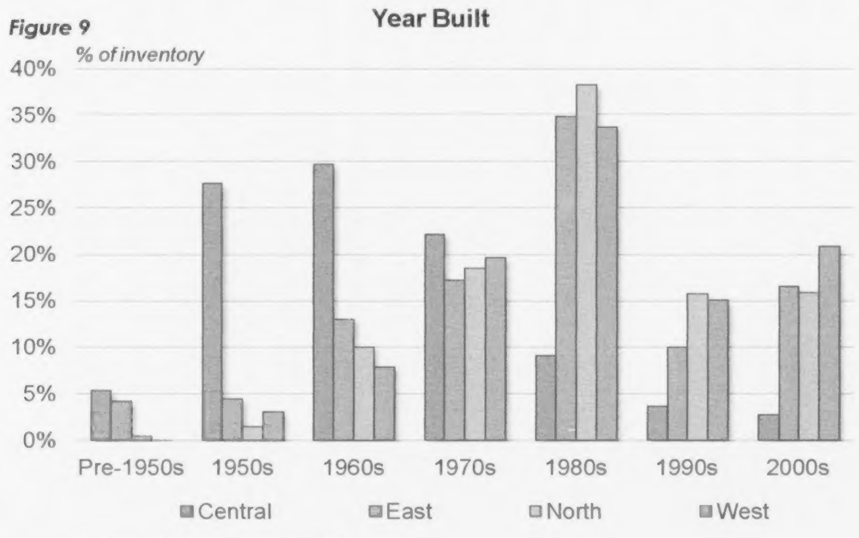
Figure 8 **Industrial Market Data, 2011 Q4 - Greater Toronto Area**

Municipality	*Inventory (sf)*	*Vacancy Rate (%)*	*YTD Absorption*	*YTD New Supply (sf)*	*Asking Lease Rate ($psf)*	*Average TMI Rate ($psf)*
Bolton/Caledon	12,825,595	8.1%	12,578	15,570	$4.57	$2.52
Brampton	96,693,939	7.0%	1,615,806	0	$4.89	$2.92
Burlington	22,723,119	7.7%	679,492	0	$4.66	$2.52
Milton/Halton Hills	21,477,521	6.9%	-170,360	0	$4.85	$2.45
Mississauga	180,274,249	6.6%	1,569,871	287,649	$5.04	$3.23
Oakville	28,270,834	5.1%	-179,245	47,855	$5.66	$2.83
GTA West	**362,265,257**	**6.7%**	**3,528,142**	**351,074**	**$4.99**	**$3.01**
East York	10,074,959	1.1%	232,787	0	$4.93	$2.63
Etobicoke	85,572,679	8.2%	-464,964	0	$4.34	$3.26
North York	84,141,062	3.5%	130,372	223,363	$4.24	$3.66
Scarborough	66,170,182	5.0%	1,015,071	0	$4.23	$3.76
Toronto	35,227,250	1.9%	-264,267	0	$7.86	$3.63
York	6,866,281	1.8%	191,178	0	$3.10	$3.33
GTA Central	**288,052,413**	**4.9%**	**840,177**	**223,363**	**$4.39**	**$3.59**
Aurora	6,306,806	9.7%	106,874	0	$4.50	$3.52
Markham	35,977,837	6.8%	-443,478	215,527	$5.11	$3.55
Newmarket	6,922,657	3.0%	5,736	48,389	$5.18	$3.32
Richmond Hill	15,784,177	5.2%	110,214	112,000	$5.91	$3.71
Vaughan	93,254,245	4.9%	1,858,877	1,038,593	$5.07	$3.31
GTA North	**158,245,722**	**5.5%**	**1,638,223**	**1,414,509**	**$5.12**	**$3.45**
Ajax	8,426,981	3.3%	55,772	0	$4.78	$3.07
Oshawa	4,388,454	15.4%	-451,864	0	$4.95	$1.98
Pickering	8,476,827	12.2%	141,359	0	$3.76	$3.32
Whitby	8,870,680	10.3%	398,574	0	$4.83	$2.52
GTA East	**30,162,942**	**9.6%**	**143,841**	**0**	**$4.33**	**$3.06**
GTA Overall	**838,726,334**	**6.0%**	**6,150,383**	**1,988,946**	**$4.83**	**$3.29**

7A Year Built – GTA Major Submarkets

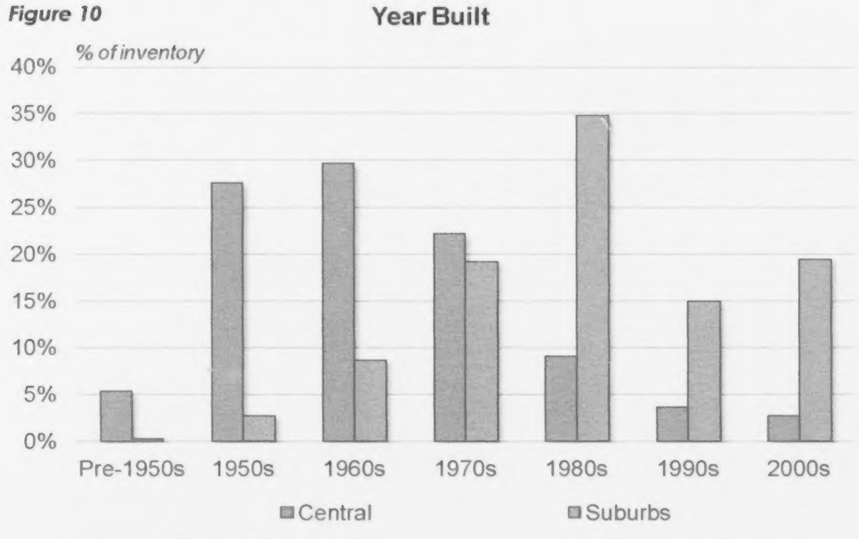
In examining the age of the industrial building stock, the GTA Central market (City of Toronto) has a much older profile compared to the suburbs. Toronto has a considerable portion of its inventory dating from the 1950s through 1970s, whereas the 1980s was the peak period of construction across the suburban markets. In the suburbs, construction activity this past decade was essentially on par with building activity in the 1970s, with the 1990s being a period of relatively less activity following the recession in the early part of the decade.

Figure 9



Source: Cushman & Wakefield

Figure 10

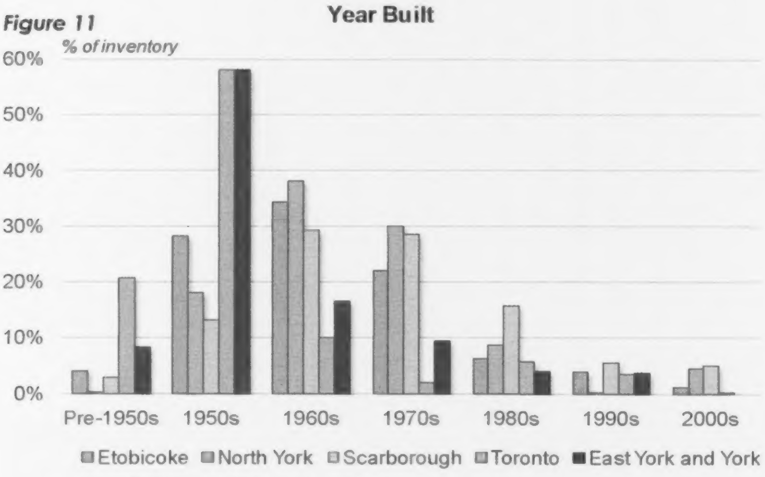


Source: Cushman & Wakefield

7B Year Built – City of Toronto (Former Municipalities)

As demonstrated by Figure 10, among the former municipalities that constitute the City of Toronto, there are notable differences in the period of industrial building construction. Toronto and East York have the oldest stock of industrial buildings, with nearly 60% of the inventory in each former municipality dating from the 1950s. Etobicoke and North York saw a considerable share of its current inventory completed in the 1950s and 1960s.

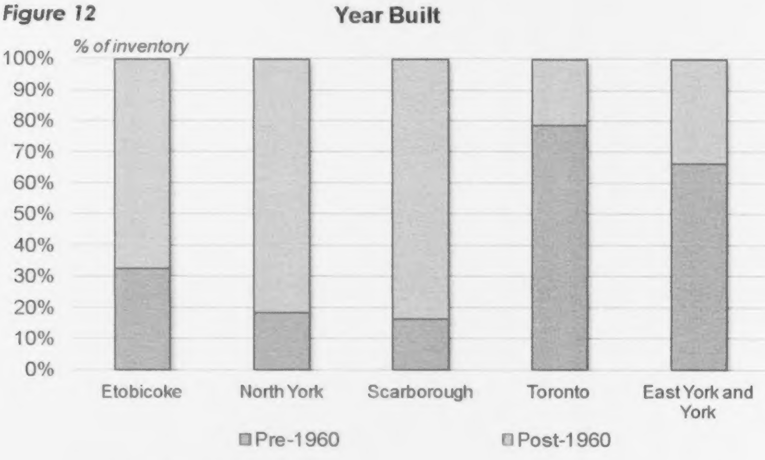
Figure 11



Source: Cushman & Wakefield

Overall, the inner suburban areas of Etobicoke, North York and Scarborough have a relatively newer inventory of industrial space compared to the more inner-city locations of Toronto, East York and York.

Figure 12

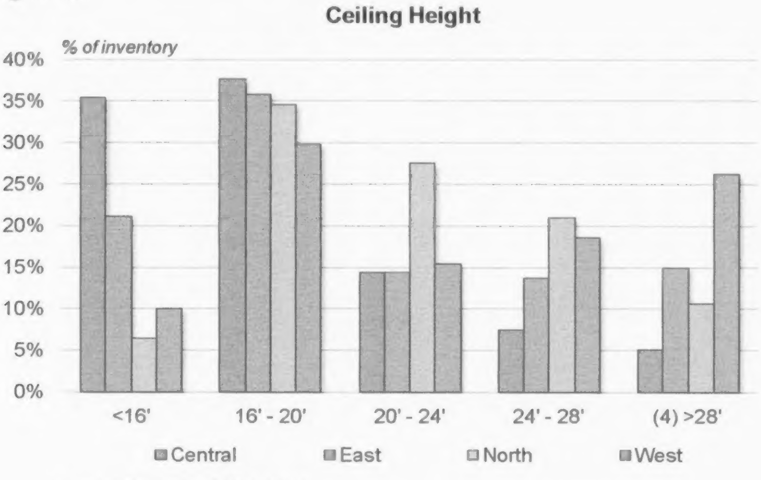


Source: Cushman & Wakefield

8A Ceiling Height – GTA Major Submarkets

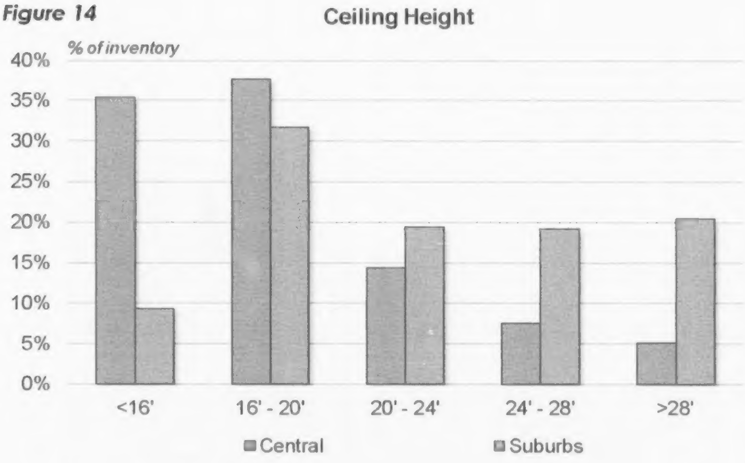
There is a notable distinction, shown in Figure 12 and 13, between the generally lower ceiling clear heights observed in the GTA Central (City of Toronto) market versus the proportion of taller ceiling clear heights seen in the suburban markets. Overwhelmingly, new construction during the past decade or more has been product with ceiling height in excess of 20'. The GTA West has the highest proportion of its inventory with a ceiling height of 24' or greater, at almost 45%; in contrast, only 12.5% of the industrial square footage in GTA Central (City of Toronto) falls in this category. The implication for space demand is that for modern industrial users, taller ceilings are desired to accommodate vertical warehousing and distribution systems.

Figure 13



Source: Cushman & Wakefield

Figure 14

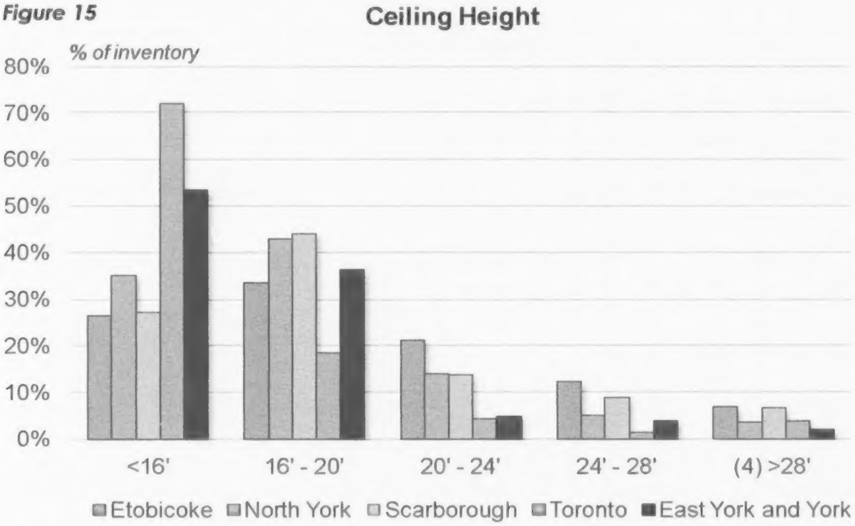


Source: Cushman & Wakefield

8B Ceiling Height – City of Toronto (Former Municipalities)

As shown in Figure 14, among the former municipalities of the City of Toronto, Etobicoke has a slightly higher proportion of its inventory in buildings with a ceiling clear height of 20' or over – although as noted, this is a modest share compared to the building stock in the suburban markets. On the other end of the spectrum, buildings in the City of Toronto have a generally lower ceiling height; over 70% of the stock is less than 16' clear height. Notwithstanding this, tenants and users of these buildings may have varied requirements. Considering the achievable rental rates and generally persisting low levels of vacancy in the former municipalities, ceiling clear height is only one element of the decision-making criteria for occupiers of industrial space.

Figure 15



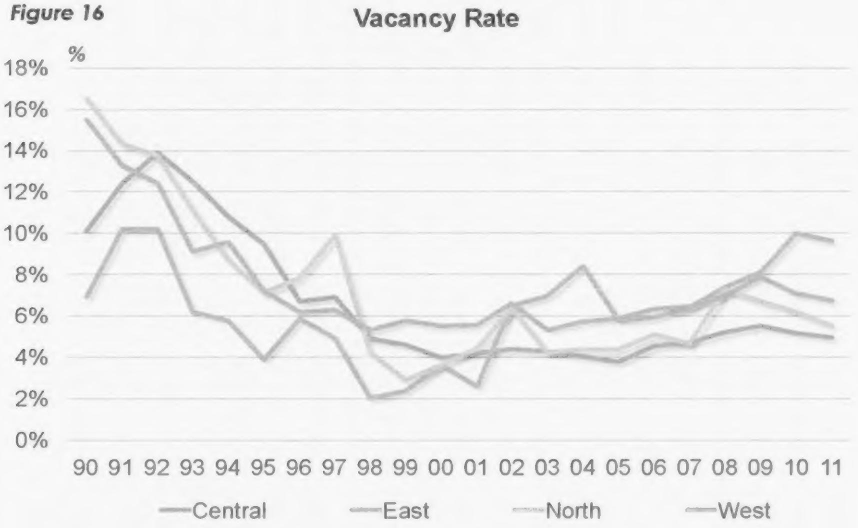
Source: Cushman & Wakefield

9A Vacancy Rate – GTA and Major Submarkets

During the past decade, the GTA Central market (City of Toronto) has had the lowest vacancy rate among the GTA's major submarkets. This is indicative of its continued desirability in the eyes of industrial users. While the GTA Central market has seen limited new supply, its existing stock of industrial buildings has remained in demand. Importantly, the recovery from the effects of the recession in the early 1990s has proven to be lasting in the GTA Central market.

The central and inner suburban markets often offer smaller units in multi-tenant properties that are ideal for start-up/incubator businesses. As well, locations in Toronto offer ready access to a vast pool of labour, and generally good public transit accessibility – certainly in comparison to many suburban municipalities.

Figure 16

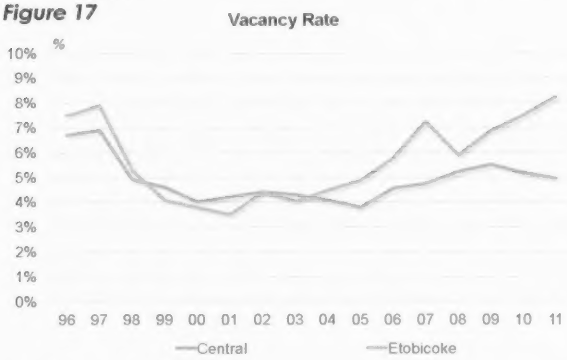


Source: Cushman & Wakefield

9B Vacancy Rate – City of Toronto (Former Municipalities)

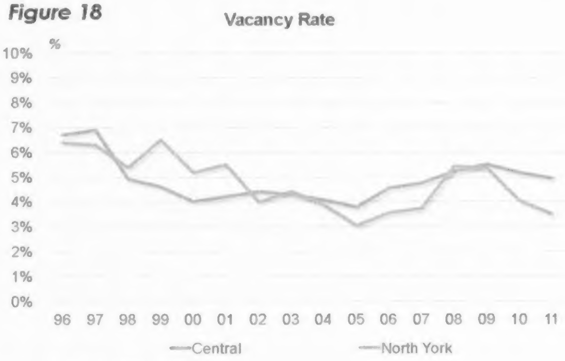
The following figures compare the vacancy rate for the overall GTA Central market versus each of the former municipalities within the City of Toronto. During the past decade, Toronto has maintained the lowest vacancy rate at generally less than 2%, while Etobicoke has been trending upwards, and currently sits at close to 8%. York's vacancy rate is volatile due to its small inventory of space.

Figure 17



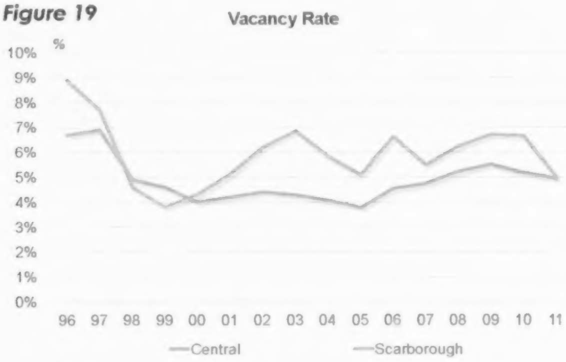
Source: Cushman & Wakefield

Figure 18



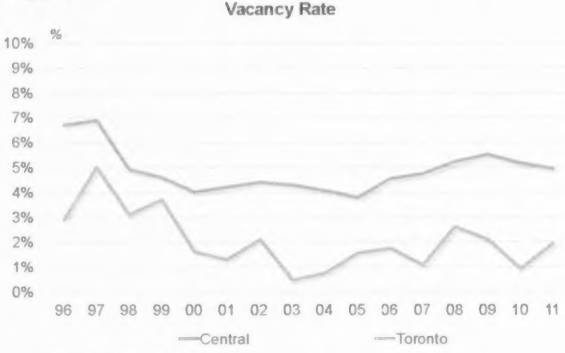
Source: Cushman & Wakefield

Figure 19



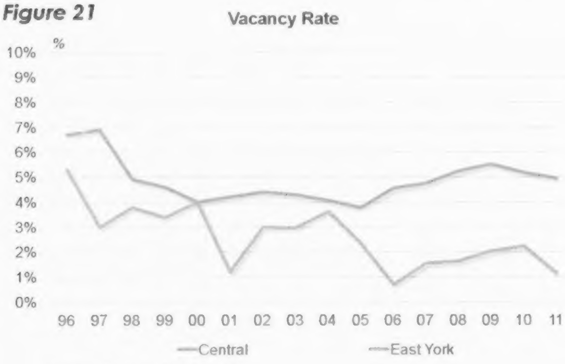
Source: Cushman & Wakefield

Figure 20



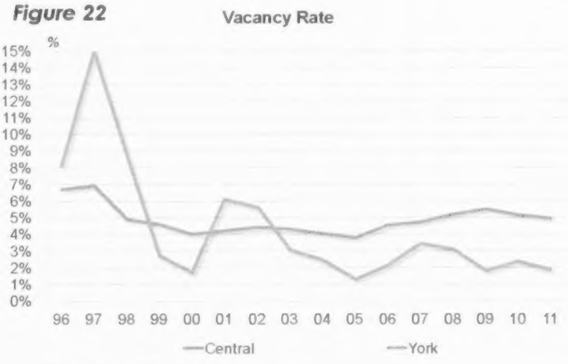
Source: Cushman & Wakefield

Figure 21



Source: Cushman & Wakefield

Figure 22



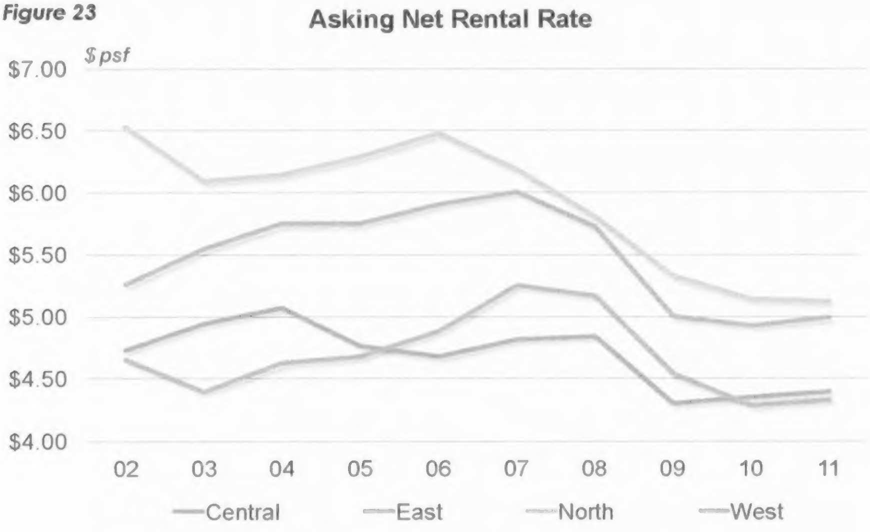
Source: Cushman & Wakefield

10A Rental Rate – GTA and Major Submarkets

In examining rental rates among the four major GTA submarkets (Figure 22), the GTA Central and East have been relatively more affordable for tenants from a net rent perspective. Average asking net rental rates in these markets have been in the range of $4.50 to $5.00/sq. ft. for much of the past decade. In contrast, the average asking net rental rate for the GTA North and West markets have been a roughly $0.50 to $1.50/sq. ft. spread above the rates seen for GTA Central and East. This is in part a function of the type of space that has been available in the North and West suburban markets – new warehouse and distribution space, as well as flex industrial product that has a higher degree of office space finish included.

While asking rates in all markets have declined since 2008, each submarket has shown a "bottoming out" effect in 2010-2011 which is an encouraging sign pointing to renewed space demand, coupled with declining vacancy rates.

Figure 23

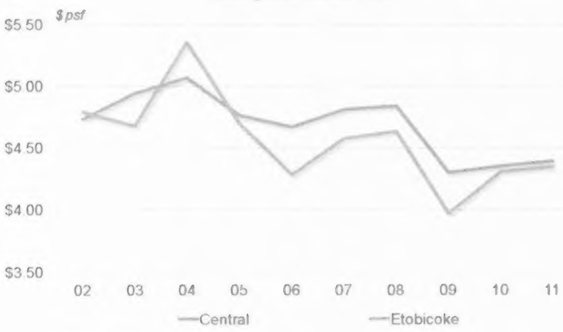


Source: Cushman & Wakefield

10B Rental Rate – City of Toronto

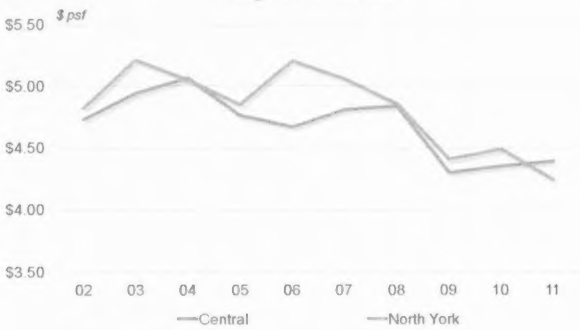
The following figures compare the asking net rental rate for the overall GTA Central market versus each of the former municipalities within the City of Toronto. The former municipalities of Etobicoke, North York and Scarborough have generally closely tracked the GTA Central average rate during the past decade. Notably, asking net rents in the former City of Toronto have consistently exceed the GTA Central average, and this spread has widened in recent years from roughly a $1.00/sq. ft. premium in 2003-2008 to a $3.00/sq. ft. premium today. Rental rates in East York are volatile given the small size of the inventory.

Figure 24



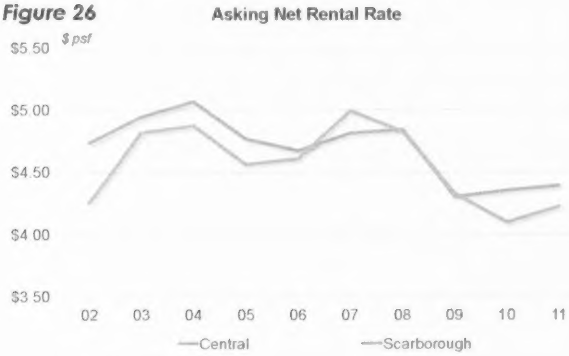
Source: Cushman & Wakefield

Figure 25



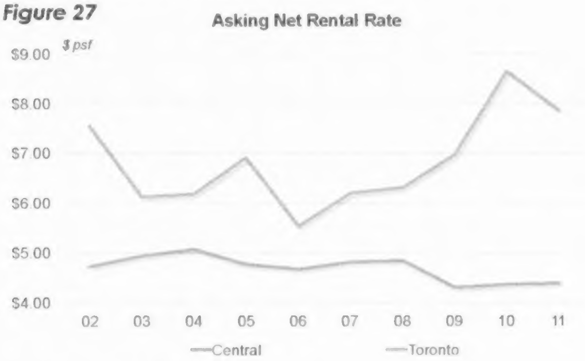
Source: Cushman & Wakefield

Figure 26



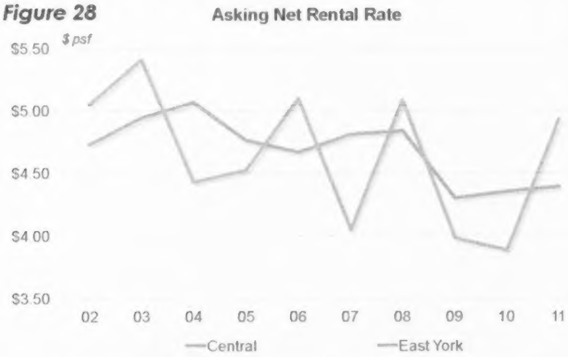
Source: Cushman & Wakefield

Figure 27



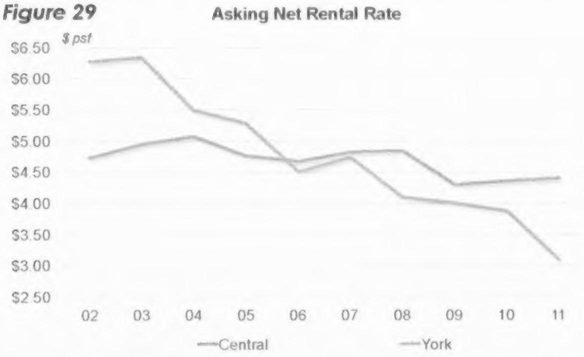
Source: Cushman & Wakefield

Figure 28



Source: Cushman & Wakefield

Figure 29



Source: Cushman & Wakefield

11.0 Conclusions

This profile's review of the characteristics of Toronto's industrial employment space and its trends shows that notwithstanding its relative age, lower ceiling heights and locations in the heart of an increasingly congested region, the city's stock:

- Continues to grow; and
- Enjoys lower vacancy rates than the regional average, with a rental premium attaching to locations in the former City of Toronto.

This performance gives no reason to doubt the sustained viability of this space or the locations/designations that support it. Current trends point to renewed demand and declining vacancy rates.

APPENDIX 3A.3:
OFFICE SPACE PROFILE

TABLE OF CONTENTS

1.0 Introduction

2.0 The Transformative Years

3.0 Preserving Employment in the Downtown

4.0 The Kings

5.0 The Waterfront

6.0 Impact of the Residential Boom in the Core on Employment

7.0 Impact of Provincial Policy on Office Development

8.0 Office Buildings by Locality

- 8.1 Downtown and the Waterfront
- 8.2 Centres
- 8.3 Employment Districts
- 8.4 Employment Areas Outside of Districts
- 8.5 Avenues
- 8.6 Mixed Use Areas Outside of Avenues
- 8.7 All Other Areas

9.0 Conclusions

APPENDIX 3A.3:
OFFICE SPACE PROFILE

Office buildings house roughly 55% of all employment in the City of Toronto. The city and the GTA region have experienced two significant growth periods over the past 30 years, which saw the supply of office space rise from 74 million sq. ft. to 202 million sq. ft.. The region has been a significant beneficiary of the economy's evolution from the post-industrial period. At almost 300% growth in 30 years time, this change in where people work and what they do is having a dramatic effect on the use of land in the GTA.

The expansion of office employment transformed the location and land use profile of jobs in the City. Until the early 80s all office space in the GTA was located primarily in the core of the City. Although employment in office space within the City of Toronto has doubled in 30 years, it is still predominantly located in the downtown core.

Parallel to the growth in the city was the unprecedented growth in the rest of the GTA (the "905"). Sixty five million sq. ft. of office space, equal to half of the city's total, is now located in the 905. With the return of residential growth to the urban core in the past decade new challenges have emerged which are restricting the natural growth of employment in the city.

Virtually no office employment growth has occurred off the Yonge subway corridor and the downtown core. This is a reality which goes beyond zoning or availability of land or labour markets. The city's Centres and its Business Parks have failed to realize the expected growth in office space and employment since the early 1990's. This reality is in stark contrast to growth elsewhere in the GTA, in areas lacking urban amenities and transit access.

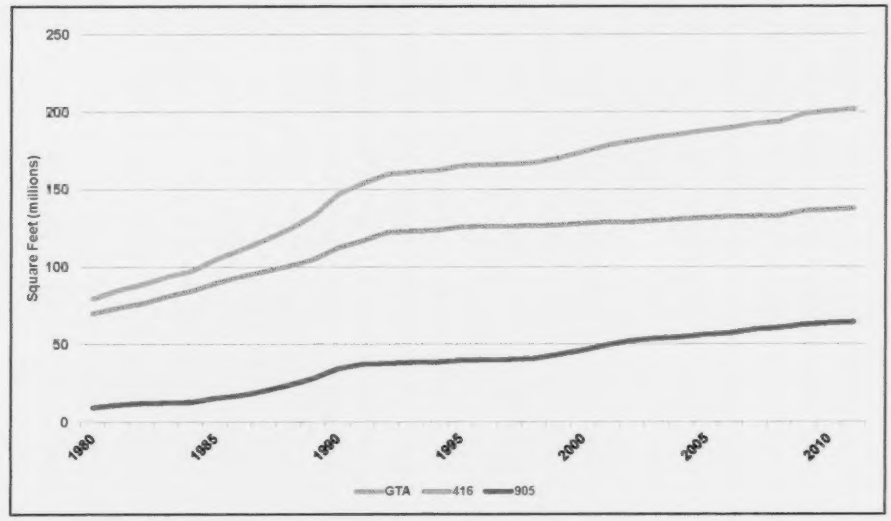
Recent construction and new announcements suggest the city will continue to generate new office tower supply in the downtown core. The challenge to greater growth will be in supplying mid-size space modules in new buildings for mid-size tenants.

1.0 Introduction

There is 202 million square feet of office space in the GTA, one of the five largest concentrations of office space in the US and Canada. Construction of new office space has averaged 3.9 million sq. ft. per year since 1980 making the GTA the fastest growing office market in North America. Office buildings have replaced industrial buildings as the place where the majority of people work. The new economy based on technology and financial services has rapidly out-performed the manufacturing sector in the City of Toronto and most of those jobs are located in office buildings. Roughly 55% of all employment (approximately 690,000 jobs) is located in office buildings and yet less than 25% of these buildings are located on lands recognized as "employment areas".

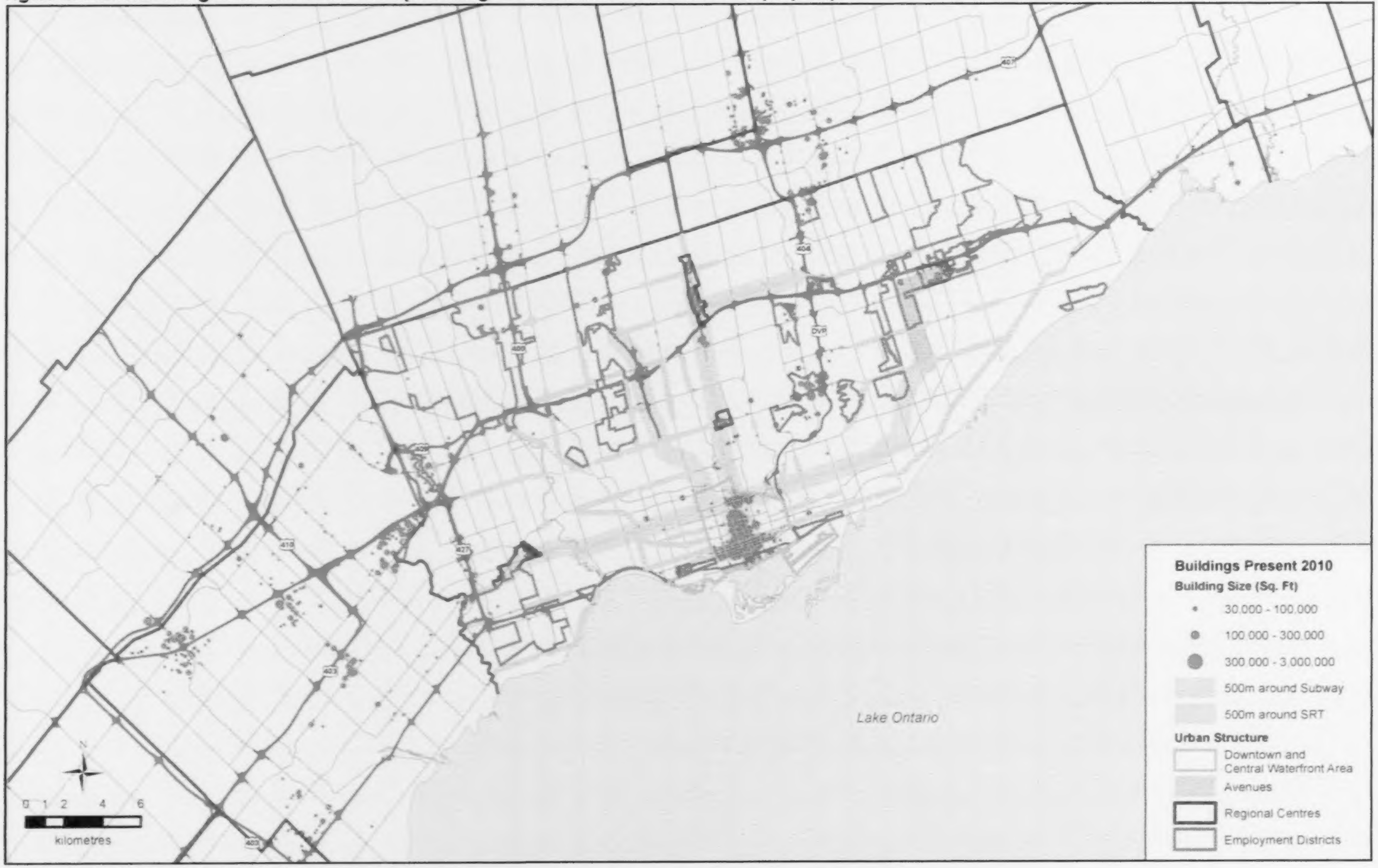
Growth in the Region has been extraordinary. In 1979, there was 74 million sq. ft. of office space in the City of Toronto and today there is 137 - almost 100% growth. In the 905, there was 7.5 million sq. ft. in 1979 and today there is 65 million sq. ft. - greater than all the space in Vancouver (see Figures 1 and 2). This growth has succeeded in spite of four significant events: the financial crisis of 1987, the overbuilding of office space leading up to 1992 (a universal phenomenon in developed countries), 9/11 in New York and finally the worldwide financial meltdown of 2008. Within Toronto the SARS crisis had a temporary impact on vacancy rates but not supply.

Figure 1: Office Development in the GTA, 1980 to 2011



Source: Real Estate Search Corporation.

Figure 2: Manufacturing and Warehouse Jobs (including locations with less than 100 employees)


407
404
DVP
400
409
427
410
403
401
Lake Ontario
N
0 1 2 4 6
kilometres
Buildings Present 2010
Building Size (Sq. Ft)
● 30,000 - 100,000
● 100,000 - 300,000
● 300,000 - 3,000,000
500m around Subway
500m around SRT
Urban Structure
Downtown and Central Waterfront Area
Avenues
Regional Centres
Employment Districts

Source: Real Estate Search Corporation

All of these events contributed to stunted growth in office jobs everywhere except in Toronto. The single most important growth factor has been the migration of bank head offices to Toronto from Montreal and the ability of the Canadian banks to attract a large service based industry around them. This continues to drive office employment in the GTA.

To better understand how much office space is required in the future it is important to recognize the impact technology and lifestyles have on driving business location decisions. Companies are constantly re-inventing how office based jobs are managed and located. Globalization is driving employers in new directions and in some cases across regional borders.

These factors are explored as foundation to determining how planning policy can contribute to creating the conditions necessary to maintain and enhance the viability of new office development in the City of Toronto.

2.0 The Transformative Years

King and Bay Street in 1980 represented the centre of all office employment in the GTA. All the transit was focused in one direction in the morning and evening. A great deal has changed in the last 30 years. Rapid growth of office buildings occurred in two very distinct periods, 1980 to 1992 and then between 1998 and 2011.

In the 1980's, the core of downtown Toronto enjoyed the extraordinary expansion of the banking sector, the professional services sector and the mining and natural resources sectors all resulting from the movement of head offices from Montreal to Toronto in the late 70s. With it came a rapid rise in realty taxes, operating costs and rents. Fifty five million square feet of new office space was built in the core alone in that period, room for the equivalent of 300,000 jobs. But most importantly, new levels of unsustainable vacancy caused by imprudent speculation and the lack of rigorous pre-leasing conditions from lenders forced private developers out of the business. They were replaced over time by deep pocket pension funds with a more moderate taste for risk.

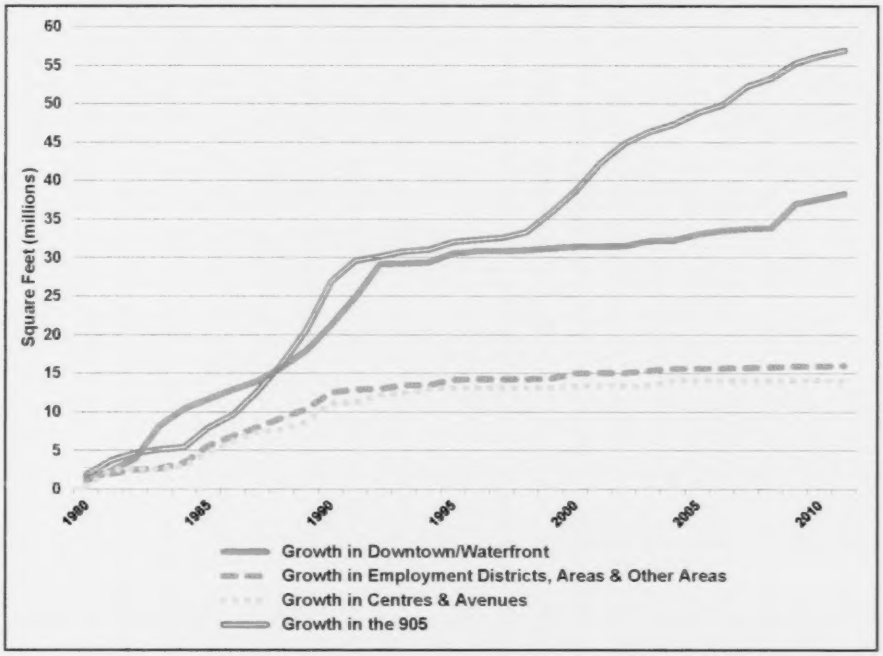
The second trend to emerge in this period was the building of office space in industrial parks in the 905. Office sprawl was fuelled by lower taxes, the proliferation of residential suburbs and the expansion of the expressway system. Thirty million sq. ft. of office space was built in this era where only 7 million sq. ft. existed in 1979. Suburbanization of office space began in the USA in the early 60s. Don Mills flourished then despite the new Yonge St. subway to Eglinton and its extension to North York because it was driven largely by American based technology companies - IBM, Olivetti and Xerox to name a few. By the 1980's, however, Don Mills was soon overlooked for the 905 largely because of lower taxes.

By 1992 the market was overbuilt with high vacancy and new investment took a six year rest. Between 1992 and 1998 only 6 million sq. ft. of office space was constructed in the GTA spread between the 416 and the 905. Good numbers for most cities in North America, but a relatively bad period for the Toronto region.

During this period large vacancies disappeared and the building industry encountered a significant re-structuring. Debt holders took over management of many buildings, and pension funds took the opportunity to buy many quality assets, replacing over time lenders whose loans had been written down.

When the industry resurfaced in 1998, growth was fuelled not by risk takers building large buildings with minimal or no pre-leasing commitments, but by funds and investors who wouldn't build without a significant pre-lease commitment. Mid-sized tenants who wanted new space were forced to lease smaller buildings in suburban locations. Between 1999 and 2011, 210 buildings were built in the 905 (17.8 million sq. ft.) in the 20 – 250,000 sq. ft. range, while 3.8 million sq. ft. was constructed in the 416, in 65 buildings (Figure 3). The suburban space offers little in the way of urban amenities or higher order transit.

Figure 3: Growth in Office Space – Toronto vs. the 905, 1980 – 2011



3.0 Preserving Employment in the Downtown

For the first time in 20 years there are new buildings built and under construction in the downtown core. The last three years have seen completion of 4.7 million sq. ft. in the core vs. 3.6 million in the 905 (see Figures 3 and 4). This three year trend represents a more balanced supply in the region, but its sustainability is an open question. All of the new office development serves one niche in the market. The new supply is all downtown in a few very big multi-tenant buildings serving the financial services sector only. It is located in mixed use areas where landowners are competing with the condominium industry for sites. This was not the case 25 years ago.

The escalation in land values based on zoning permissions granted to residential builders has rendered many older office buildings more valuable as residential sites than as employment space. Old buildings and sites in areas like Liberty Village are far more attractive as condominiums than offices. Records of building permit applications and new acquisitions show that the recent expansion of the office market may be offset by the demolition of office buildings in less commercially desirable locations, to be replaced by residential condominiums. This in itself is not necessarily a bad market driven outcome, so long as a comparable amount of new office space replaces the old.

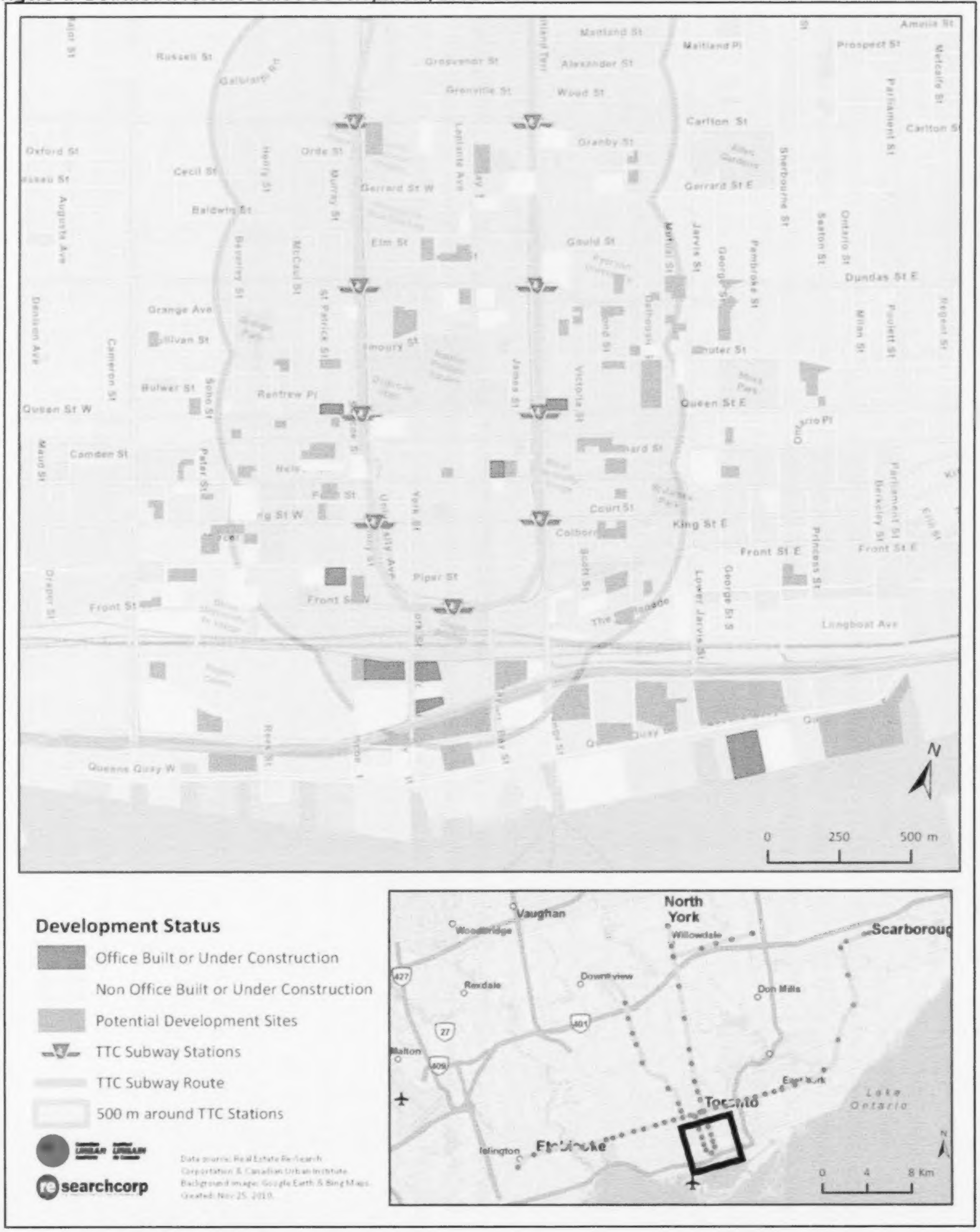
It is important to recognize that while the new construction is very encouraging and important in the market place, there has been almost no comparable supply created in midsized buildings for midsized tenants. The cost of large multi-functional complexes has also relegated the mid-sized mid-priced tenant to a life in the 905.

4.0 The Kings

After a long and remarkable run, the highly successful conversion of "Brick & Beam" and any other old building used at one time as a manufacturing or distribution center is coming to an end in the Kings. This very desirable built form created an opportunity for small innovative start-ups, early stage traditional businesses and midsized conventional businesses to afford the opportunity to stay and grow in close to the core.

There is now 18 million sq. ft. of this type of office space, almost three times the entire office inventory in Scarborough. It has been a 30 year phenomenon which for the first 15 years emerged without the help of favourable zoning, then flourished in the mid 1990's under open mixed use permissions. The problem

Figure 4: Downtown Toronto Office Development, 2002 -2010


Development Status
Office Built or Under Construction
Non Office Built or Under Construction
Potential Development Sites
TTC Subway Stations
TTC Subway Route
500 m around TTC Stations
Queen St W
Queen St E
King St E
Front St
Front St E
Dundas St E
Carlton St
Gerrard St W
Gerrard St E
College
Queens Quay W
Sherbourne St
Jarvis St
Parliament St
Spadina
University Ave
Yonge St
0
250
500 m
N
North York
Vaughan
Woodbridge
Willowdale
Scarborough
Rexdale
Downsview
Don Mills
Malton
East York
Toronto
Lake Ontario
Etobicoke
Islington
0
4
8 Km
searchcorp

Data source: Real Estate Research Corporation & Canadian Urban Institute.
Background image: Google Earth & Bing Maps.
Created: Nov 25, 2010.

Source: Canadian Urban Institute

today is two-fold: prices have moved higher with success and there isn't much more space remaining to convert.

The Kings have been the saviour of many new economy industries, the creative industries, the film industry and many more high growth business types. Many believe (e.g., Richard Florida) that this kind of environment will help build the liveable, workable, playable city of the future. If this is to continue there needs to be changes in the way affordable small and readily available office space is created in the face of rapid land price escalation from residential development pressures.

5.0 The Waterfront

Office buildings have moved south not by choice but by supply of readily available sites near to the core. With the exception of Corus, a tenant unlike most in the core, all the development has been driven by large financial service based head office tenants. This trend supports the need to stay close to transit but there is less than eight years of supply at potential rates of future demand growth.

6.0 Impact of the Residential Boom in the Core on Employment

Throughout North America there has been an increase in urban residential growth reversing a 30 year suburbanization trend. This is very evident in the City of Toronto. The positive relationship between employment and population growth is well understood, however the overwhelming majority of jobs in the core occur in office buildings and the supply of buildings is not keeping pace with the supply of condominiums.

In the 10 year period from 2000 to 2010, 48,000 condominium units were built and occupied south of Bloor Street. That represents about 40,000 people with office jobs or in building terms 8 million sq. ft. of office space. By the completion of the next building cycle (circa 2018) there will have been 8 million sq. ft. of new buildings created but by then there may be another 30,000 residential units with no comparable increase on job space, forcing those people to find work outside the core. This will create market adjustments which may not be favourable to the City.

7.0 Impact of Provincial Policy on Office Development

Provincial governments over the past 10 years have enacted legislation to restrict development sprawl and increase connectivity in the region. These policies - the Greenbelt Act, Places to Grow, The Big Move and the Provincial Policy Statement (2005) have influenced planning for industrial lands and residential growth but none to date on employment in office buildings. Employers can literally put 12,000 jobs on one acre, as at First Canadian Place. A typical building in an industrial park with 150,000 sq. ft. and surface parking can house 750 jobs in one hectare. In most municipalities there is no shortage of land for office buildings.

Why then have employers been largely non-responsive to public policy? The answer lies in land economics, taxation and the development readiness of sites to meet the business cycles of employers. When land prices exceed levels enabling market competitive rental rates, office sites become untenable. When tax rates are significantly different in the same general area, employers gravitate to the lowest rates. Sites which require approvals and time to develop that is longer than tenant employers are able to wait similarly become redundant as office building opportunities.

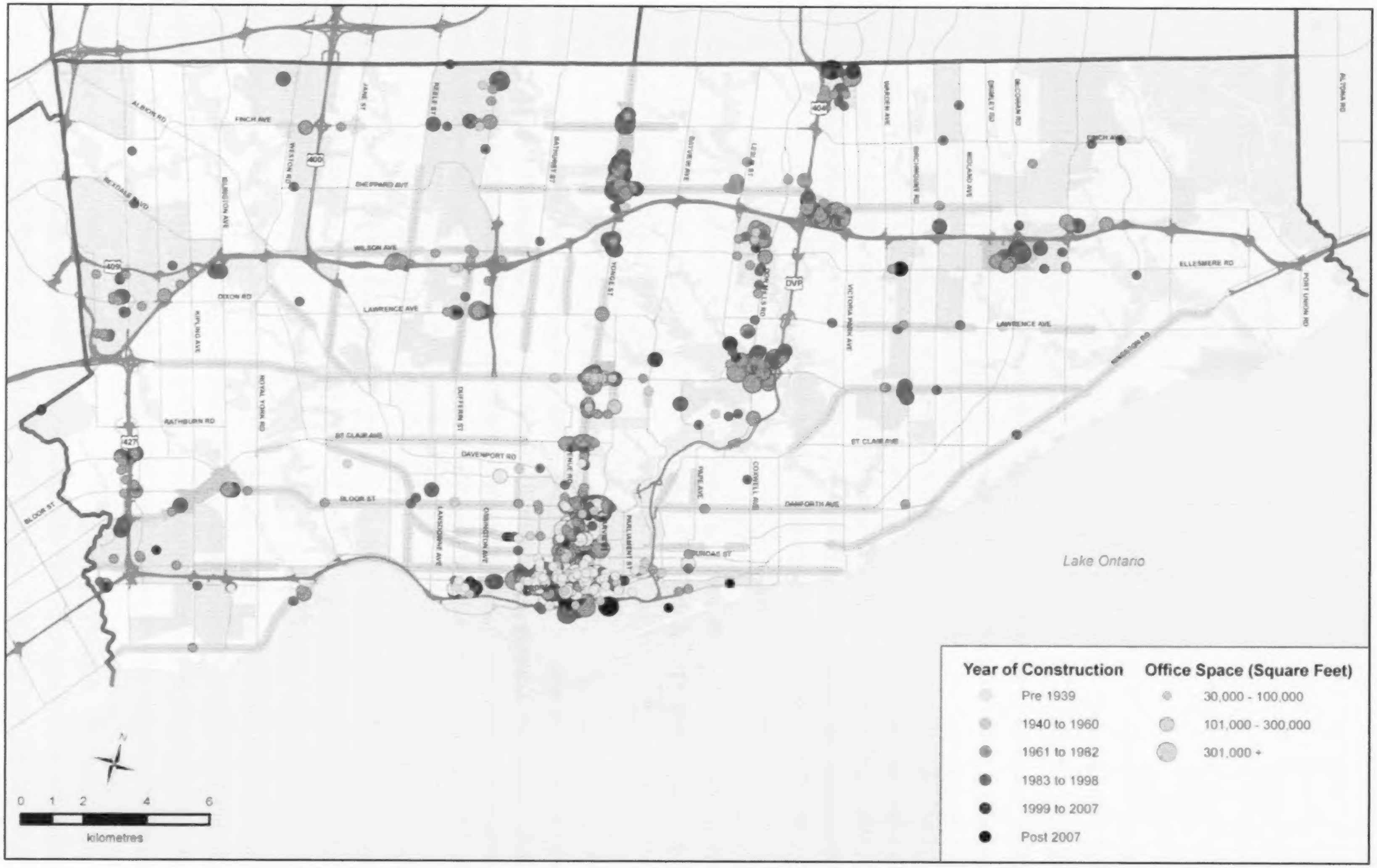
8.0 Office Buildings by Locality

Overwhelmingly, office space growth in Toronto has occurred in the downtown core or on the subway spine of the city, between North York and Downtown. There has been very little growth in office space jobs anywhere else in the city in the last 25 years (see Figures 5 and 6).

The table below (Figure 7) describes the distribution of office jobs by employment locality in the city. The distribution of jobs in office buildings in the respective localities, and their contributions to total employment, highlights the lack of recognition of the importance of this function implied when only lower density industrial lands are identified as "employment lands". The relative absence of office space in the designated Employment Districts and Areas is starkly evident in Figure 5, with the notable exception of the office concentrations in the Business Parks in the Don Valley Parkway corridor.

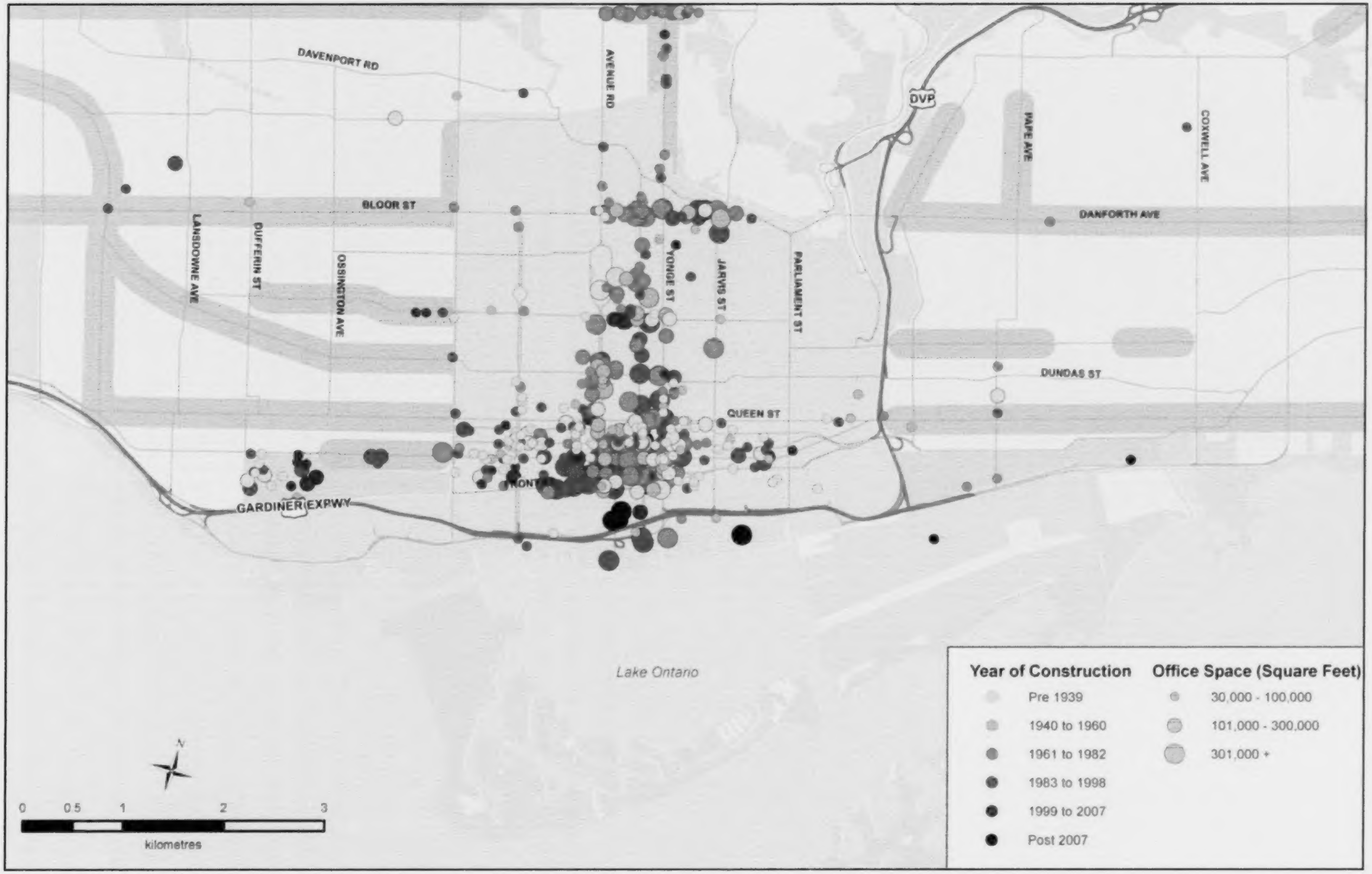
The remainder of this appendix outlines key characteristics of the office space present in each locality, with particular reference to the forces driving office employment in and outside the high growth areas.

Figure 5: Office Space in Toronto by Year of Construction


ALBION RD
FINCH AVE
JANE ST
KEELE ST
400
WESTON RD
BATHURST ST
BAYVIEW AVE
LESLIE ST
404
WARDEN AVE
KENNEDY RD
McCOWAN RD
ALTONA RD
BIRCHMOUNT RD
MIDLAND AVE
FINCH AVE
REXDALE BLVD
ISLINGTON AVE
SHEPPARD AVE
WILSON AVE
409
DIXON RD
KIPLING AVE
LAWRENCE AVE
YONGE ST
DON MILLS RD
DVP
VICTORIA PARK AVE
ELLESMERE RD
PORT UNION RD
LAWRENCE AVE
KINGSTON RD
ROYAL YORK RD
DUFFERIN ST
RATHBURN RD
427
ST CLAIR AVE
DAVENPORT RD
ST CLAIR AVE
PAPE AVE
COXWELL AVE
BLOOR ST
BLOOR ST
DANFORTH AVE
LANSDOWNE AVE
OSSINGTON AVE
PARLIAMENT ST
DUNDAS ST
Lake Ontario
N
0
1
2
4
6
kilometres
Year of Construction
Pre 1939
1940 to 1960
1961 to 1982
1983 to 1998
1999 to 2007
Post 2007
Office Space (Square Feet)
30,000 - 100,000
101,000 - 300,000
301,000 +

Source: Real Estate Search Corporation

Figure 6: Office Space in the Downtown and Central Waterfront Area, By Year of Construction


DAVENPORT RD
AVENUE RD
DVP
PAPE AVE
COXWELL AVE
BLOOR ST
DANFORTH AVE
LANSDOWNE AVE
DUFFERIN ST
OSSINGTON AVE
YONGE ST
JARVIS ST
PARLIAMENT ST
DUNDAS ST
QUEEN ST
FRONT
GARDINER EXPWY
Lake Ontario
N
0
0.5
1
2
3
kilometres
Year of Construction
Pre 1939
1940 to 1960
1961 to 1982
1983 to 1998
1999 to 2007
Post 2007
Office Space (Square Feet)
30,000 - 100,000
101,000 - 300,000
301,000 +

Source: Real Estate Search Corporation

Figure 7: Distribution of Jobs in Office Buildings by Employment Locality

Distribution of Jobs in Office Buildings by Locality		
Downtown and Central Waterfront	422,100	61.1%
Centres	72,300	10.5%
Employment Districts	98,500	14.2%
Employment Areas Outside of Districts	6,400	0.9%
Avenues	47,800	6.9%
Mixed Use Outside of Avenues	35,100	5.1%
Institutional Areas	1,200	0.2%
All Other Areas	7,700	1.1%
TOTAL	**691,100**	**100%**

Source: Real Estate Search Corporation

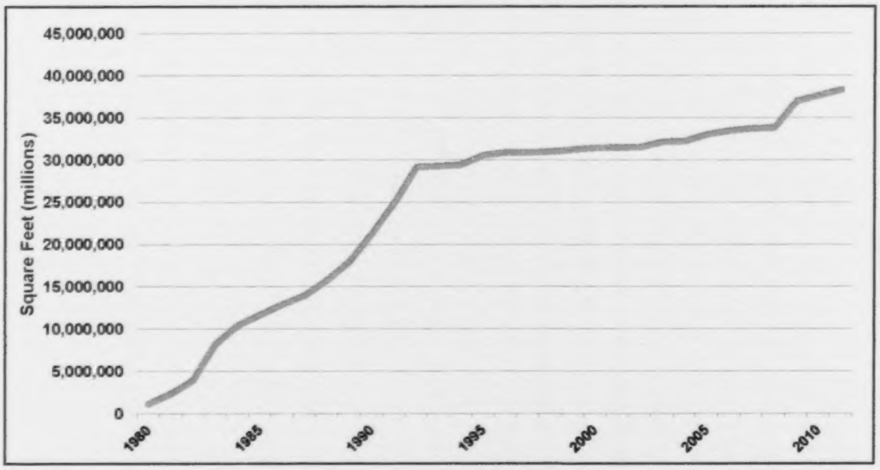
8.1 Downtown and the Waterfront

The graph shows disturbingly that the growth trend for the downtown is not as rich as some would say given the reduction in the pace of development and the jobs created. The recent completion of four buildings in the core is a good sign. When we project growth for the future the single most important driver for the core is the financial services sector.

In the 80s, the core grew on the backs of buildings built by individual developers who often started construction on the expectation of leasing (spec buildings) rather than on pre-building commitments from major tenants. The tenant market was also characterized by a wide variety of business types. At the beginning of the 80s all the engineers, architects, medical companies, mining and manufacturing head offices, in fact pretty much every type of business which uses office space, were prime targets for tenancy. For example Trans Canada Pipeline occupied 350,000 sq. ft. of space in Commerce Court, some 1,800 jobs. The mining business had over 8 million sq. ft. of office space. Today those numbers have dwindled to virtually nothing.

Ironically, the banks have grown steadily into space vacated by data processing companies, engineering firms and other businesses that found they didn't necessarily have to be in the downtown (see Figure 8). But those companies didn't move across the street - they went straight to the 905 and didn't embrace the centres or avenues within the City boundaries.

.*Figure 8: Growth in Office Space in the Downtown and the Waterfront*



[illegible]

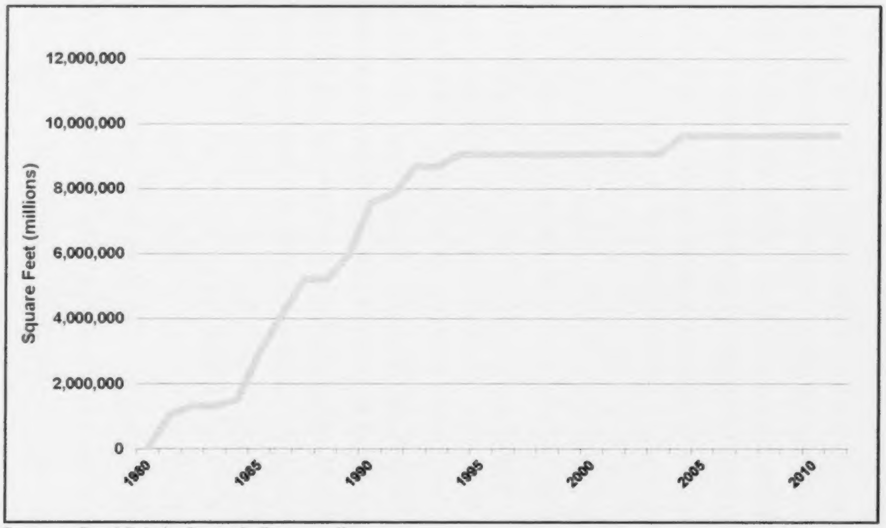
8.2 Centres

The centres grew reasonably well in the 80s as seen in Figure 9. The majority of those buildings such as Consillium, a dozen buildings in North York and a few buildings in Etobicoke were by and large built by developers without major pre-leasing commitments. They were built by investors who were blazing trails ahead of the growth which would have occurred if employers embraced the idea of locating in smaller urban centres served by transit projects. But the market by and large rejected these buildings, causing lengthy lease up periods and returns that were not economic or sustainable.

All of these buildings today are leased but at low rates and virtually no development has occurred around them. North American Life Centre in North York a twin tower project connected directly to the Finch subway station with retail and service space, was a project built to downtown standards. Had it been built on Bay Street it would have fit right in. Nothing has been built around it for 25 years. At the same time, over 10 million sq. ft. has been built to the north at the intersection of Highways 407 and 404, a node still waiting for higher order transit.

Projecting future growth in these centres is a risky business. Key questions include the case for the tenant market changing its mind, and what inducements might bring back employers.

Figure 9: Growth in Office Space in Centers



Source: Real Estate Search Corporation

8.3 Employment Districts

The failure of Toronto's Employment Districts – most particularly the Business Parks in the Don Valley Parkway Corridor – to attract continued office growth is as perplexing as that of the Centres (see Figures 10 and 11). Most of these areas did not initially have office buildings in them. In the 1980's office buildings started to emerge between industrial buildings and in some cases in office clusters of their own. This occurred up to 1990 in the 416 and then with vigour in the 905 afterward.

Employment Districts have several characteristics attractive to office employers:

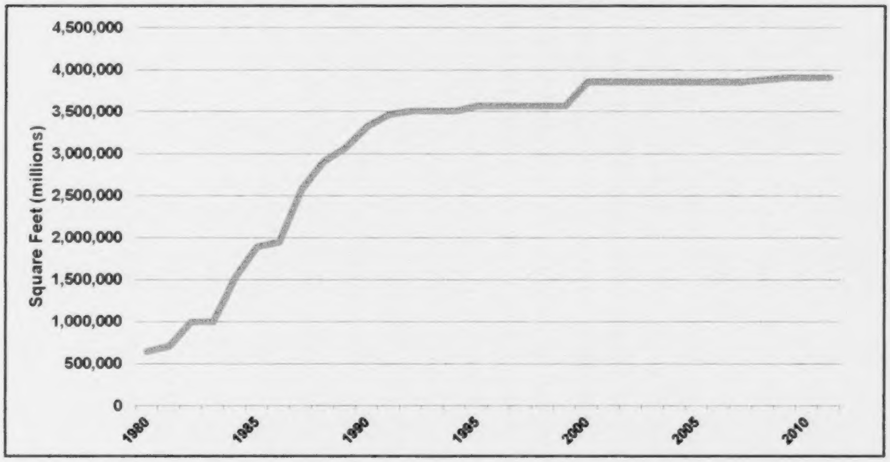
Land – they were established to provide lots of land for industrial purposes, the result being that there is always plenty of land for office buildings because they don't require much. The land never became too expensive because the uses were restricted and the illusion of free parking became the sinecure for having to jump in a car to go for lunch, pick up dry cleaning or anything else required by employees during the day.

Taxes – these Districts were originally taxed at very low rates compared to Mixed Use environments and to this day the taxes in these parks with few exceptions have been kept low to encourage more of them.

Cost - these Districts are considerably easier to build in resulting in lower lease rates and maintenance costs. Amenities and architectural attractiveness are rarely required in these parks unless a user spends the extra money on their own image. Buildings are also constructed more quickly in these parks.

Convenience – they provide low cost convenience. Prior to congestion the prospect of turning from an expressway into your office building was very seductive. The illusion of controlling your own destiny in your own building with its name on top became part of the attractiveness. There was also the feeling that growth could be easily managed, which for small companies with big dreams was a compelling alternative to being just another dot on a bigger picture downtown.

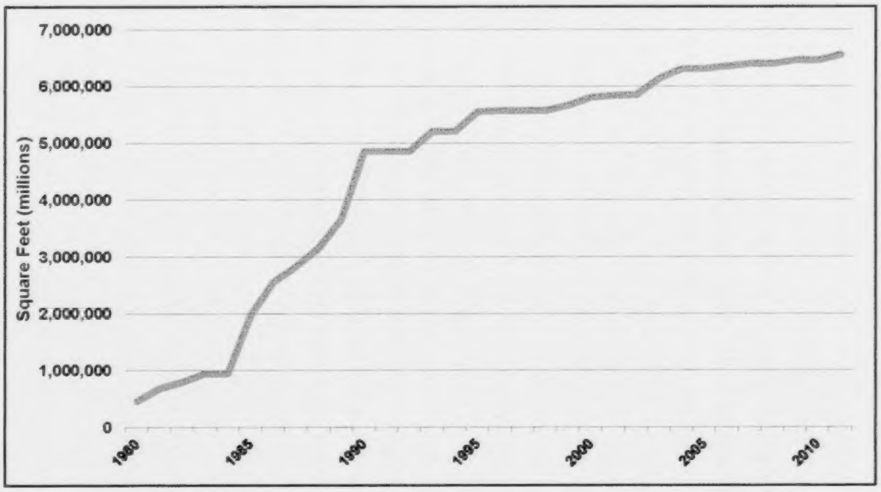
Figure 10: Growth in Office Space in Employment District – Business Parks



Source: Real Estate Search Corporation

The failure of the Districts, particularly the Business Parks, to continue to attract office development is the most perplexing problem facing this discussion from a typology perspective. These areas have been exceptionally attractive in the 905 and represent potential not seen elsewhere. Consumer's Road and the Don Valley Corridor are the most important study areas because they were very popular at one time and experienced solid growth when business was attracted to these sites.

Figure 11: Growth in Office Space in Employment District – Industrial

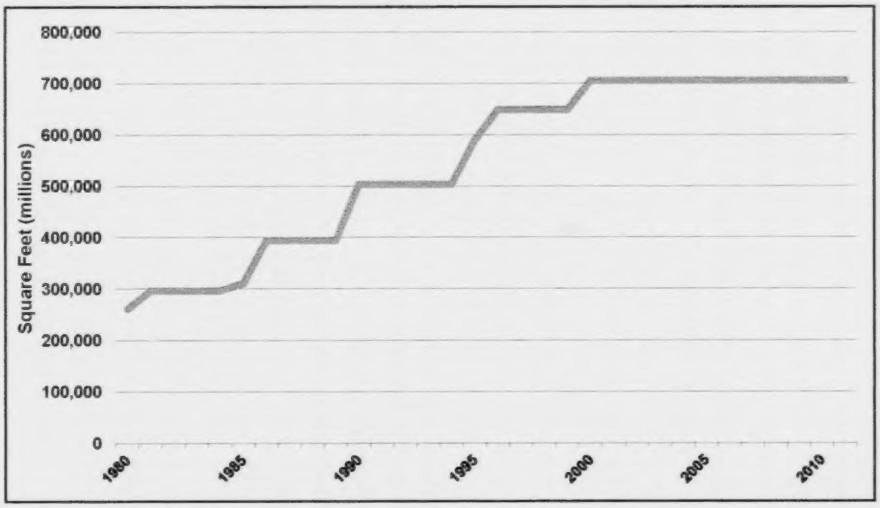


Source: Real Estate Search Corporation

8.4 Employment Areas Outside of Districts

These Districts have attracted relatively quite minor investments in office buildings. That which has occurred has largely been based on local conditions. Nevertheless, these areas exhibit the same historical development profile as most – significant growth over the 1980 to 2000 period, and none since (see Figure 12).

Figure 12: Growth in Office Space in Employment Areas Outside of Districts



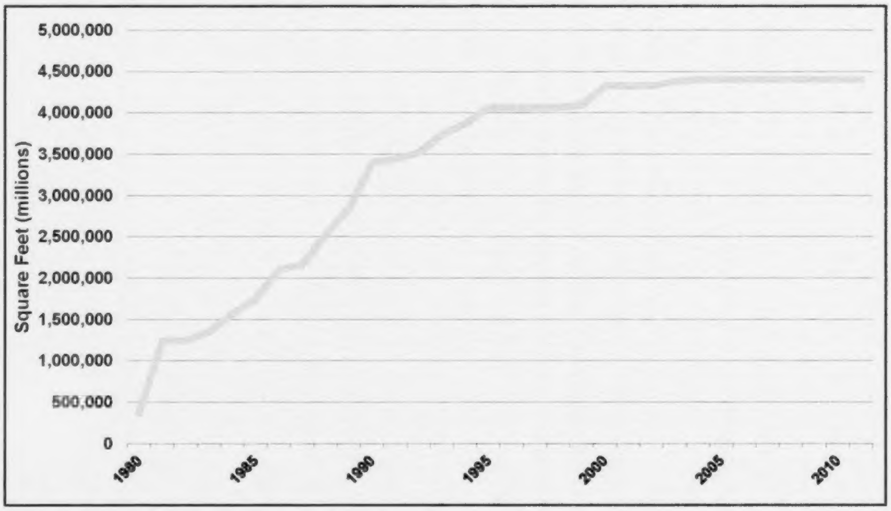
Source: Real Estate Search Corporation

8.5 Avenues

The Avenues experienced much the same growth as the Centres only to a lesser degree (by half – See Figure 13). The Avenues are unattractive to office tenants for a number of reasons. Few locations offer lot sizes sufficient to build a practical building. High land costs and the lack of cluster benefits, (similar businesses leveraging an established employment base) simply do not make these areas attractive to mainstream employers. The prospects for office employment in the Avenues remain largely related to residential growth: real estate sales companies medical and service, legal etc. are about the only office tenants who will take up these areas.

While projecting future growth in the Avenues is a risky business, it is relatively certain that employment in office buildings on Avenues will be a direct result of residential growth.

Figure 13: Growth in Office Space in Avenues

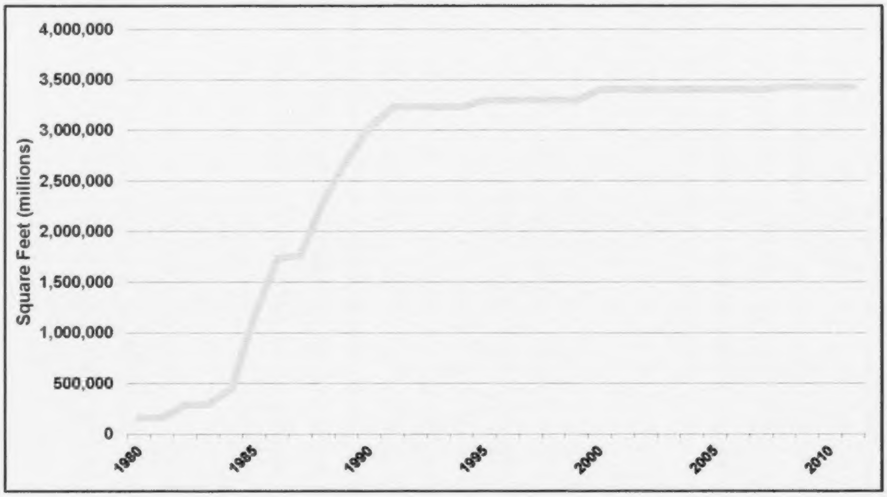


Source: Real Estate Search Corporation

8.6 Mixed Use Areas Outside of Avenues

The mixed use areas outside of Avenues are home to roughly 3.5 million sq. ft. of office space, including the 1.5 million in the Hwy 427 corridor in Etobicoke. Outside of this node, these areas have characteristics and prospects very similar to those described above for office space in the Avenues.

Figure 14: Growth in Office Space in Mixed Use Areas Outside of Avenues

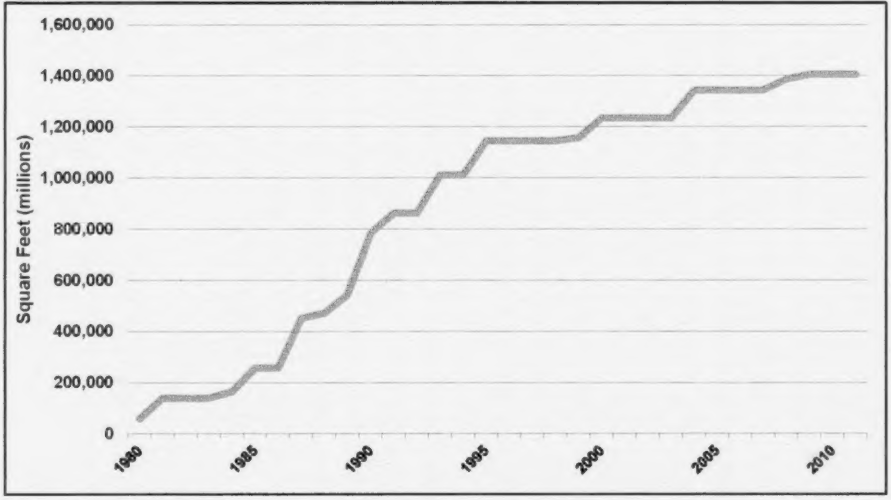


Source: Real Estate Search Corporation

8.7 All Other Areas

These are largely medical, legal and residential based employers. Future growth will be driven by residential growth

Figure 15: Growth in Office Space in All Other Areas



Source: Real Estate Search Corporation

9.0 Conclusions

Toronto's ability to continue to grow its office space employment has only recently been supported by new space in or near the downtown core. Until then, the city had since the 1990's been largely dependent upon the conversion of old "Brick and Beam" space in the Kings. Over the period from 1999 to 2011, the 905 generated over 80% of the GTA's new office space, all in the absence of urban amenities or higher order transit access.

The city's Centres and Business Parks have failed to attract the employment growth that has long been expected to materialize there, particularly in the transit-served Centres. Sustained growth in office employment will require both new office tower growth in the downtown core, and a regionally competitive supply of mid-size module space.

This Page Left Intentionally Blank

APPENDIX 3A.4:

RETAIL AND SERVICE SPACE PROFILE

TABLE OF CONTENTS

1.0 Introduction

2.0 Existing Retail and Service Conditions

3.0 Retail and Service Employment Distribution

4.0 Retail and Service Commercial Space Structure and Development Trends

5.0 Level of Retail and Service Commercial Space Supply

6.0 Directions of Growth

7.0 Conclusions

APPENDIX 3A.4:
RETAIL AND SERVICE SPACE PROFILE

SUMMARY

Retail and service employment is an important component of the city's employment base, representing almost a quarter of the city's total employment. These jobs are distributed throughout the city with clusters in the Downtown, along Avenues, Mixed Use Areas, and in Employment Districts. The largest portion (26%) of retail employment is located in the city's Employment Districts - "Industrial" areas, followed by Avenues (24%), and Mixed Use Areas Outside Avenues (21%). The largest portion of service employment is located in the Downtown and Central Waterfront area (30%), followed by Employment Districts "Industrial" (24%), and the Avenues (22%).

Recent development trends in the Downtown include smaller sized and "urban format" supermarkets, and new stores, services, and restaurants that cater to the convenience and day-to-day needs of the residential population and office employment population in the Downtown. Development of open-air centres has characterized development trends of the last ten years, many of which are located at the edge of Employment Districts that front onto major streets.

Development applications illustrate the continuing interest for new retail and service commercial development in the Downtown and Central Waterfront area and Employment Districts "Industrial", particularly for larger sites on arterial roads.

Toronto currently has less retail and service space per capita across the shopping centre, "big box," and power centre categories relative to other municipalities in the GTA. The city has a substantially greater portion of its retail and service space along commercial strips.

This suggests demand and opportunity for higher order comparison and shopping centre type retail and service uses to service Toronto today. Population growth will concomitantly increase the need and opportunity for additional retail and service space in the years ahead.

1.0 Introduction

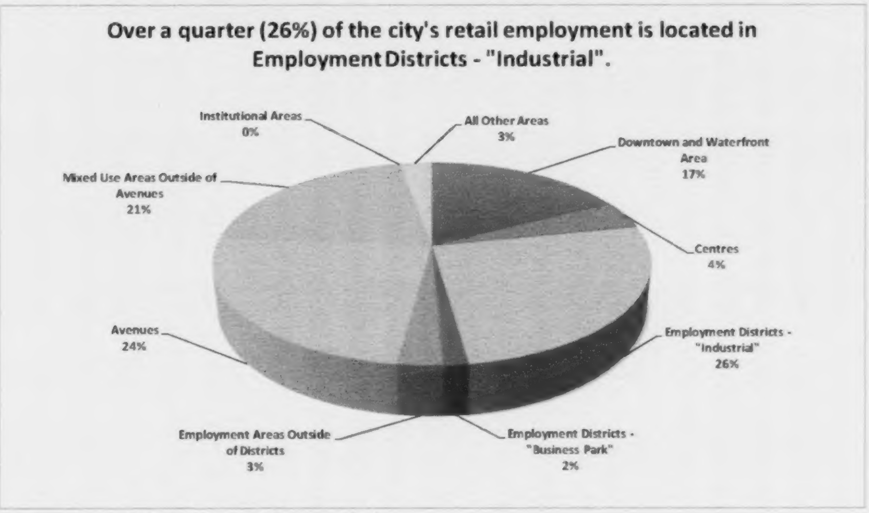
This profile of retail and service space in Toronto characterizes the current distribution of jobs and space, and describes the current hierarchy of centre types and locations and recent trends. It compares the city's distribution of space per capita to that of the rest of the GTA, and identifies likely directions for future growth.

2.0 Existing Retail and Service Conditions

Retail and service employment represents the second largest component, almost a quarter (22% or 297,100), of the city's total 1.3 million jobs (Toronto Employment Survey 2011). Office employment is the largest component, representing about half (48% or 627,800) of the city's employment. Much of it is clustered such that it is itself an important contributor to daytime retail and service demand.

The largest portion, over a quarter (26%), of the retail employment, is located in the city's Employment Districts "Industrial" areas, followed by Avenues (24%), and Mixed Use Areas Outside Avenues (21%) as illustrated in the following graphic.

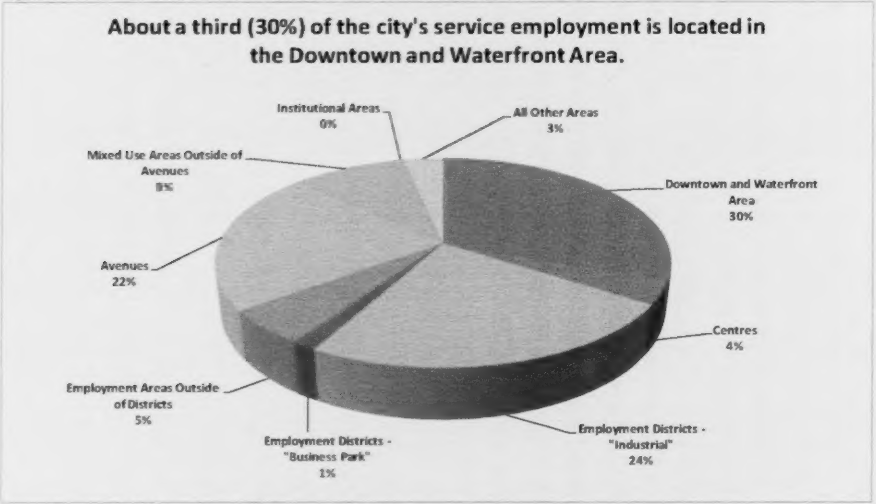
Figure 1: Distribution of Toronto's Retail Employment



Source: Toronto Employment Survey 2011

The largest portion, almost a third (30%) of service employment, is located in the Downtown and Waterfront Area, followed by Employment Districts "Industrial" (24%), and the Avenues (22% - see Figure 2).

Figure 2: Distribution of Toronto's Service Employment



Source: Toronto Employment Survey 2011

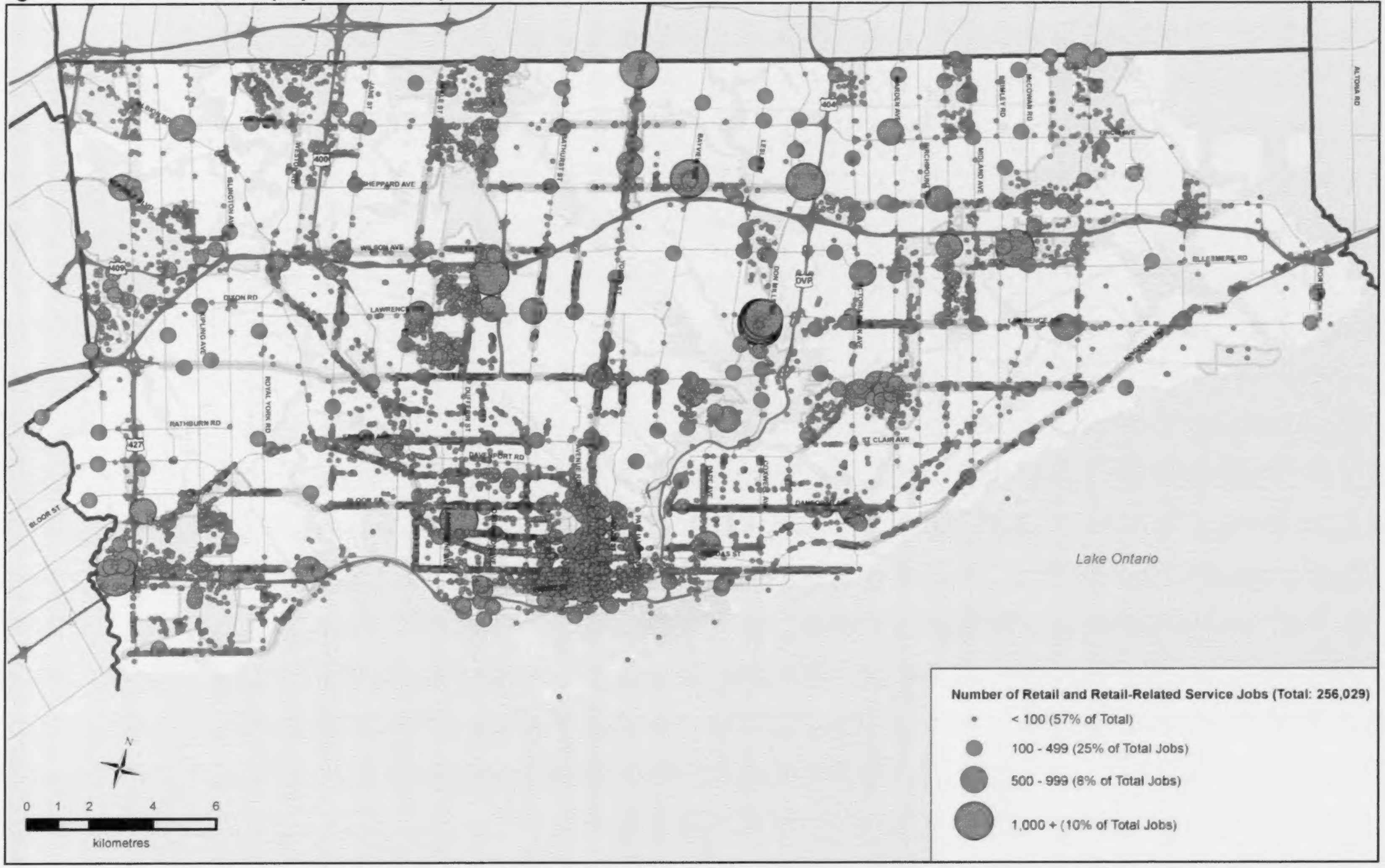
An increasing portion of retail employment is located in the city's Employment Districts "Industrial" areas. This has increased from about 22% in 2001 to 26% in 2011. The portion of service employment located in the Downtown and Waterfront Area increased from 27% in 2001 to 30% in 2011.

3.0 Retail and Service Employment Distribution

Figure 3 illustrates the geographic distribution of retail and service employment in the city. The map illustrates the density of retail and service employment in the Downtown and Waterfront Area, the clustering of retail and service employment along Avenues and Mixed Use Areas, and the frequency of retail and service employment in and at the edge of Employment Districts.

Retail and service uses are primarily residential population-serving but also serve office and industrial employees. The wide geographic distribution of retail and service employment reflects the distribution of residential population throughout the city as well as the clustering of office and to some extent industrial employment.

Figure 3: Retail and Service Employment in the City of Toronto


Number of Retail and Retail-Related Service Jobs (Total: 256,029)
< 100 (57% of Total)
100 - 499 (25% of Total Jobs)
500 - 999 (8% of Total Jobs)
1,000 + (10% of Total Jobs)
Lake Ontario
0 1 2 4 6
kilometres
N
SHEPPARD AVE
WILSON AVE
DIXON RD
LAWRENCE
RATHBURN RD
DAVENPORT RD
BLOOR ST
ST CLAIR AVE
ELLESMERE RD
ISLINGTON AVE
KIPLING AVE
ROYAL YORK RD
JANE ST
DUFFERIN ST
BATHURST ST
BAYVIEW
LESLIE
DON MILLS
DVP
VICTORIA PARK AVE
BIRCHMOUNT
MIDLAND AVE
BRIMLEY RD
MCCOWAN RD
ALTONA RD
400
401
404
409
427

Source: Toronto Employment Survey, 2011.

4.0 Retail and Service Commercial Space Structure and Development Trends

Figure 4 illustrates the distribution of shopping centres in Toronto by centre type, size, and opening date. The shopping centres are distributed throughout the city with clusters in the Downtown area, along major streets and paralleling Hwy 401.

The map illustrates a complete structure of shopping centre sizes ranging from smaller shopping centres and convenience plazas (less than 200,000 sq.ft.), to neighbourhood and community shopping centres (200,000 to 500,000 sq.ft.), sub-regional or district shopping centres (500,000 to 1,000,000 sq.ft.), and superregional sized shopping centres (1,000,000 sq.ft. and over).

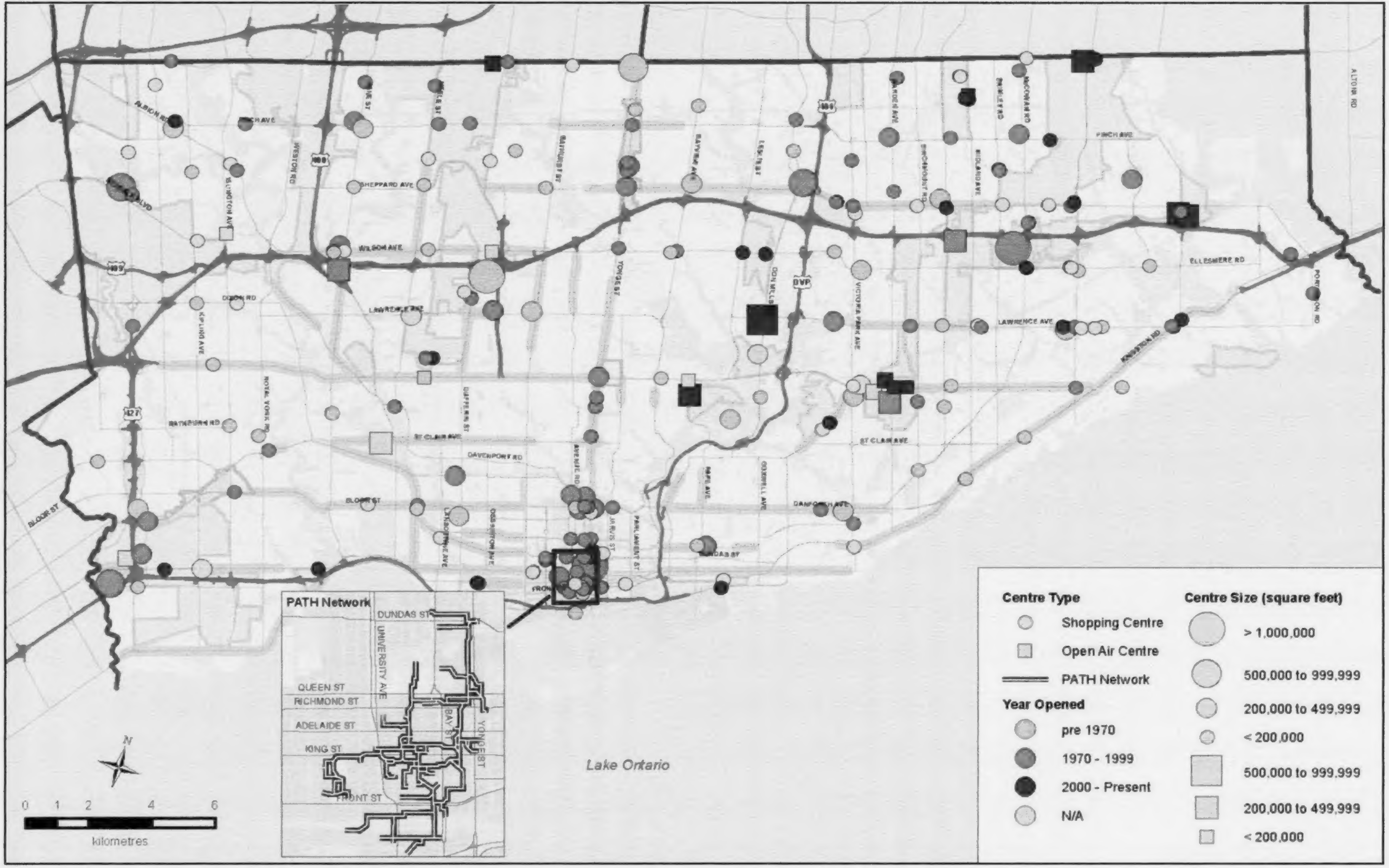
Recent development trends are illustrated on the map. Development of open-air centres has characterized development trends of the last ten years. The map illustrates the location of several open-air centres at the edge of Employment Districts with frontage onto major streets. The edge of Employment Districts satisfy location criteria of retailers and open-air centres including frontage onto major streets, excellent visibility and access, large available land parcels to accommodate the shopping centre size and associated parking, access to transit, and access to a local and non-local residential population base.

Enclosed fashion oriented shopping centres have not been built in recent years. The enclosed fashion oriented shopping centres of over one million square feet including the Eaton Centre, Yorkdale, and Scarborough Town Centre, were built about 35-45 years ago. These three shopping centres have expanded and/or have been renovated within the past few years.

Smaller sized neighbourhood and convenience shopping centres and free standing stores and services are distributed throughout the city, many of which are located along the Avenues. The retail and service uses along the Avenues serve the convenience and day-to-day needs of residents in the surrounding neighbourhood areas.

The Centres (Scarborough, North York, Etobicoke, and Yonge-Eglinton Centre) have a small portion of the city's retail and service employment, only about 4%. Scarborough Centre includes the largest concentration of retail and service space represented by the Scarborough Town Centre shopping centre. Considering the recent residential condo development in the North York Centre and Yonge-Eglinton Centre, there has not been a lot of new retail development in those areas other than convenience-oriented retail and service uses.

Figure 4: Shopping Centres in the City of Toronto by Size, Type, and Age


ALBION RD
FINCH AVE
WESTON RD
JANE ST
KEELE ST
BATHURST ST
BAYVIEW AVE
LESLIE ST
SHEPPARD AVE
WILSON AVE
ISLINGTON AVE
KIPLING AVE
DIXON RD
LAWRENCE AVE
YONGE ST
DON MILLS
DVP
VICTORIA PARK AVE
BIRCHMOUNT RD
MIDLAND AVE
MCCOWAN RD
ELLESMERE RD
KINGSTON RD
PORT UNION RD
ALTONA RD
ROYAL YORK RD
RATHBURN RD
DUFFERIN ST
ST CLAIR AVE
DAVENPORT RD
AVENUE RD
BLOOR ST
LANSDOWNE AVE
OSSINGTON AVE
JARVIS ST
PARLIAMENT ST
PAPE AVE
COXWELL AVE
DANFORTH AVE
DUNDAS ST
FRONT ST
401
400
409
427
Lake Ontario
PATH Network
DUNDAS ST
UNIVERSITY AVE
QUEEN ST
RICHMOND ST
ADELAIDE ST
KING ST
BAY ST
YONGE ST
FRONT ST
N
0 1 2 4 6
kilometres
Centre Type
Shopping Centre
Open Air Centre
PATH Network
Year Opened
pre 1970
1970 - 1999
2000 - Present
N/A
Centre Size (square feet)
> 1,000,000
500,000 to 999,999
200,000 to 499,999
< 200,000
500,000 to 999,999
200,000 to 499,999
< 200,000

Source: Directory of Shopping Centres 2012, Toronto Employment Survey 2011, TORONTOPATH.com, and MGP information.

The Downtown has a variety of retail and service commercial facilities including the super-regional and enclosed Eaton Centre shopping centre, various stores and services of the underground PATH system, clusters of space along the Avenues including high end shops along Bloor Street, unique stores and various national chains along Queen Street, and ethnic clusters such as the Danforth, among others. The Bloor-Yorkville area functions as a premier high end and fashion-oriented shopping area including several designer boutiques and flagship stores. The Downtown also accommodates a range of entertainment facilities, tourist attractions, theaters, sporting facilities, restaurants and bars.

The PATH network in the Downtown and Waterfront area is the largest underground shopping complex in the world. It extends over 28 kilometres with about 4 million sq. ft. of retail and service commercial space providing employment for about 5,000 people. The PATH network provides an important service to the office employment, residents, and tourists of the Downtown and Waterfront Area. However, many of its stores and services are not open after 6:00 weeknights or on weekends.

Development trends in the Downtown and Waterfront area include smaller sized and "urban format" supermarkets in the 15,000-30,000 sq.ft. range with a focus on prepared foods and servicing the convenience and day-to-day needs of the residential population and office employment population in the Downtown. With smaller sized land parcels available in the Downtown, retail development trends include smaller store formats and multi-level developments including above and below grade. Recent trends also include large size drug stores of about 15,000 sq.ft. which offer a wide range of health and beauty care products as well as food and general merchandise.

Other retail stores, restaurants, and services in the Downtown primarily target the convenience and day-to-day needs of the evolving residential and office population in the area. Furniture and furnishings stores have also increased in number over the past several years. Until recently, higher order, comparison shopping and fashion oriented stores have not followed the development trends of the supermarkets, convenience oriented stores and services, and furniture stores in the Downtown and Waterfront area.

Reference to development applications illustrates the continuing interest for new retail and service commercial development in the Downtown and Waterfront Area (about 26% of total retail and service space in development applications) and Employment Districts "Industrial" (about 24% of total retail and service space in development applications). It is noted that large portion of the city's large vacant land parcels are located in Employment Districts, in particular the Tapscott Employment District, Weston Road Junction, North West Etobicoke, Rexdale, and Milliken. The Avenues account for about 10% of the city's total retail space in development applications while Centres represent about 7% of total retail space in development applications.

Internet usage has become the norm for most people in Canada, however, e-commerce represents only about 4% of retail sales in Canada (2010 Statistics Canada data). Certain retail segments have proven successful for e-commerce such as electronics, books, music, travel, and concert tickets. However, there continues to be a need and demand for brick and mortar and a physical presence of stores and services.

5.0 Level of Retail and Service Commercial Space Supply

Toronto has less retail and service space per capita across the shopping centre, "big box," and power centre categories relative to other municipalities in the GTA as summarized in Figure 5.

Figure 5: Supply of Retail and Service Space in Toronto vs. Other GTA Municipalities

		Shopping Centres		Big Box and Power Centres		Commercial Strips	
	2011 Census Population[1]	Shopping Centres (sq.ft.) (Directory of Shopping Centres)[2]	Space (sq.ft.) Per Cap	Big Box and Power Centres (sq.ft.) (CSCA)[3]	Space (sq.ft.) Per Cap	# of Stores and Services in Commercial Strips (CSCA)[4]	# of People Per Store and Services
City of Toronto	2,615,100	36,375,300	13.9	16,894,100	6.5	19,308	135
Other GTA	3,438,800	67,179,900	19.5	36,571,600	10.6	7,311	470
Total GTA	6,053,900	103,555,200	17.1	53,465,700	8.8	26,619	227

Notes:

Centre for the Study of Commercial Activity ("CSCA") "Big Box" definition: Stores ranging in size from 5,000 sq.ft. to 150,000+ sq.ft.

CSCA "Commercial Strip" definition: Retail and service space along arterial roads, either at grade, above or below grade (excluding enclosed malls).

Source:

(1) 2011 Statistics Canada Census Population, excludes undercount.

(2) 2012 Canadian Directory of Shopping Centres and MGP

(3) CSCA Toronto Area Big Box & Power Centre Summary Tables 2011

(4) CSCA Toronto Area Commercial Strip Summary Tables 2011

Toronto has about 13.9 sq. ft. per capita of shopping centre space compared with about 19.5 sq.ft. per capita of shopping centre space in other municipalities in the GTA. The level of shopping centre space in the city is almost 50% less than other municipalities of the GTA. Based on a store count in shopping centres, Toronto has about 230 people per store compared with about 177 people per store in other GTA municipalities.

Toronto has less retail and service space per capita in "big box" and power centre categories relative to other municipalities in the GTA. The city has about 6.5

sq.ft./capita of "big box" and power centre space compared with about 10.6 sq.ft. per capita of other GTA municipalities.

Compared with other municipalities in the GTA, Toronto has a greater portion of retail and service space along commercial strips. Based on the number of stores along "commercial strips", Toronto has about 135 people per store compared with other GTA municipalities which have about 470 people per store.

This suggests need and demand for higher order comparison and shopping centre type retail and service uses to service the City of Toronto today and in future years.

6.0 Directions of Growth

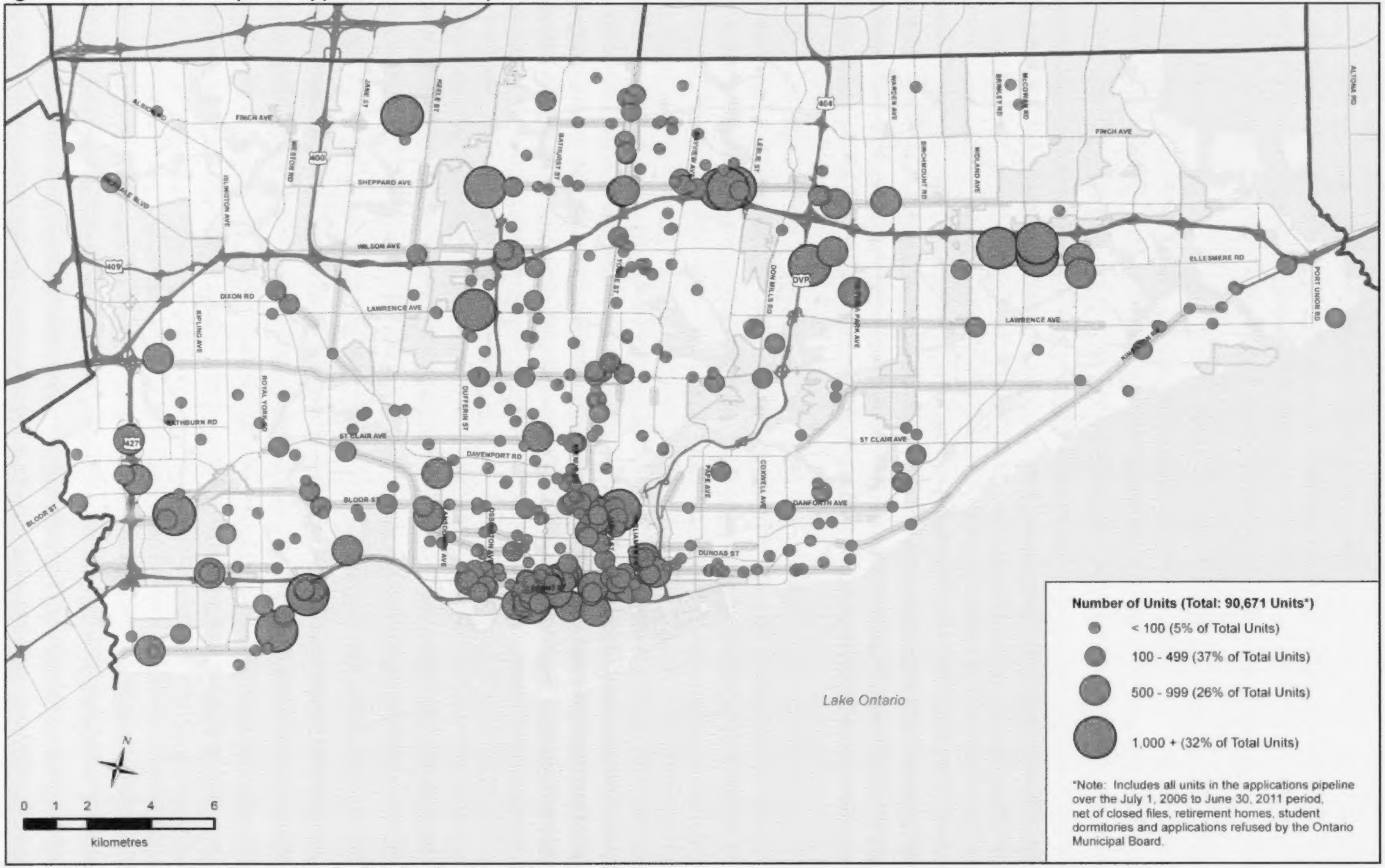
Not only does Toronto have less retail and service space per capita across the shopping centre, "big box," and power centre categories relative to other municipalities in the GTA but population growth will concomitantly increase the need and opportunity for additional retail and service space in the years ahead.

Population in Toronto is forecast to increase from about 2,722,100 in 2011 (adjusted for undercount) to about 3,080,000 to 3,305,500 in 2031, an increase of about 357,900 to 583,400 based on the Low Forecast and High Forecast respectively. By 2041, population in Toronto is forecast to increase to about 3,210,000 to 3,528,900, an increase of about 487,900 to 806,800 from 2011-2041 based on the Low Forecast and High Forecast respectively.

Since retail and service uses are primarily population related, the direction of population growth provides guidance as to the demand for additional retail and service space to serve growing population areas of the city.

Figure 6 on the following page illustrates the location and distribution of residential development applications in Toronto. A large portion is located in the Downtown and Waterfront area. Other residential growth areas include the southwest portions of the city in Etobicoke, the Yonge Street corridor, and paralleling Highway 401 primarily east of the Allan Road.

Figure 6: Residential Development Applications in the City of Toronto


ALBION RD
FINCH AVE
WESTON RD
400
SHEPPARD AVE
JANE ST
KEELE ST
BATHURST ST
YONGE ST
BAYVIEW AVE
LESLIE ST
404
WARDEN AVE
BIRCHMOUNT RD
MIDLAND AVE
BRIMLEY RD
McCOWAN RD
FINCH AVE
ALTONA RD
REXDALE BLVD
ISLINGTON AVE
WILSON AVE
409
DIXON RD
LAWRENCE AVE
KIPLING AVE
ROYAL YORK RD
DUFFERIN ST
DON MILLS RD
DVP
VICTORIA PARK AVE
LAWRENCE AVE
ELLESMERE RD
PORT UNION RD
KINGSTON RD
RATHBURN RD
427
ST CLAIR AVE
DAVENPORT RD
ST CLAIR AVE
PAPE AVE
COXWELL AVE
DANFORTH AVE
BLOOR ST
BLOOR ST
LANSDOWNE AVE
OSSINGTON AVE
DUNDAS ST
Lake Ontario
N
0 1 2 4 6
kilometres
Number of Units (Total: 90,671 Units*)
< 100 (5% of Total Units)
100 - 499 (37% of Total Units)
500 - 999 (26% of Total Units)
1,000 + (32% of Total Units)

*Note: Includes all units in the applications pipeline over the July 1, 2006 to June 30, 2011 period, net of closed files, retirement homes, student dormitories and applications refused by the Ontario Municipal Board.

Source: City of Toronto, Development Applications Pipeline, June 2006 – June 2011.

7.0 Conclusions

Retail and service employment is an important component of the city's employment base, representing almost a quarter of the city's total employment. The largest portion of the city's retail employment is located in the city's Employment Districts - "Industrial" areas, followed by Avenues, and Mixed Use Areas Outside Avenues. The largest portion of service employment is located in the Downtown and Central Waterfront area, followed by Employment Districts "Industrial", and the Avenues.

Development applications illustrate the continuing interest for new retail and service commercial development in the Downtown and Central Waterfront area and Employment Districts "Industrial", particularly for larger sites on arterial roads.

Toronto currently has less retail and service space per capita across the shopping centre, "big box," and power centre categories relative to other municipalities in the GTA. The city has a substantially greater portion of its retail and service space along commercial strips.

This suggests demand and opportunity for higher order comparison and shopping centre type retail and service uses to service Toronto today. Population growth will concomitantly increase the need and opportunity for additional retail and service space in the years ahead.

This Page Left Intentionally Blank

APPENDIX 3 B

B.1 Downtown and Central Waterfront

The Downtown & Central Waterfront area is the heart of the City, the financial heart of the country, and the largest Centre with regard to employment. Its borders include Dupont St. to the north, the Don Valley Parkway to the east, Lake Ontario to the south, and Bathurst St. to the west. In 2011, the area employed 441,957 people. It is dominated by the Office sector, especially Finance, Insurance, Real Estate and Business services. In total, the Downtown & Central Waterfront has approximately 15,920 firms.

Key Facts:

- ***The Downtown and Waterfront employed 441,957 people in 2011, a 12.2% increase from 2001;***
- ***Institutional Areas in the Downtown and Waterfront employed 50,352 people in 2011, a 40% increase from 2001;***
- ***Regeneration Areas in the Downtown and Waterfront employed 53,895 people in 2011, an 18.5% increase from 2001;***
- ***It supported 34% of the City's employment in 2011, and 42% of its non-residential assessment;***
- ***This area had $62.6 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred across all sectors, with the exception of Manufacturing. Employment increased in the Service (20%), Institutional (13%), Office (11%), and Retail (3%) sectors. Manufacturing employment declined by 39%;***
- ***New establishment growth was concentrated in the Institutional sector, with a decline in manufacturing and retail establishments;***
- ***The Downtown and Central Waterfront is accessed from the Gardiner Expressway, and Don Valley Parkway, and is served by multiple TTC subway, GO rail transit, streetcar and bus routes;***
- ***Of persons living in the GTAH, residents of Toronto hold 70% of the jobs located in the Downtown and Central Waterfront area.***

Figure B.1: Profile Data for Downtown and Central Waterfront Area, 2001, 2006 and 2011

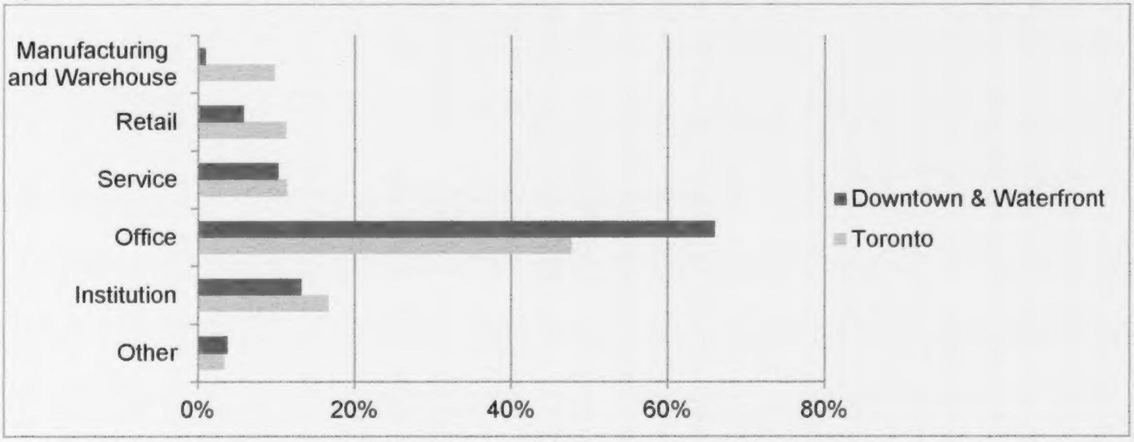
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	1,042.9	-	-
Vacant Area (Ha)	-	-	123.6	-	-
Vacant Area (% of Net)	-	-	11.9%	-	-
Employment (Total PT & FT)	394,015	392,045	441,957	12.2%	33.5%
No. of Establishments	15,600	14,966	15,920	2.1%	21.2%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	74%, 13%, 6%, 3%, 4%	73%, 14%, 6%, 3%, 4%	71%, 15%, 6%, 4%, 4%	-	-
Industrial Inventory (sq.ft.) (Regeneration Areas only)	-	-	4,268,894	-	1.5%
Industrial Vacancy Rate (Toronto – Pre-amalgamation)	1.3%	1.7%	1.9%	-	4.9%
Industrial Rental Rate ($) (Toronto – Pre-amalgamation)	$7.59	$5.54	$7.89	3.6%	-
Office Space (Net Rentable Area, sq.ft.)	74,835,626	77,468,938	82,139,251	10.0%	61.0%
Unoccupied Office Space	5.6%	9%	8.5%	-	-
Office Rental Rate (Gross $/sq.ft.)	-	-	$36.11	-	-
Total Non Res. Assessment ($)	$10,950,742,054	-	$33,857,791,298	0.8x	42.0%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

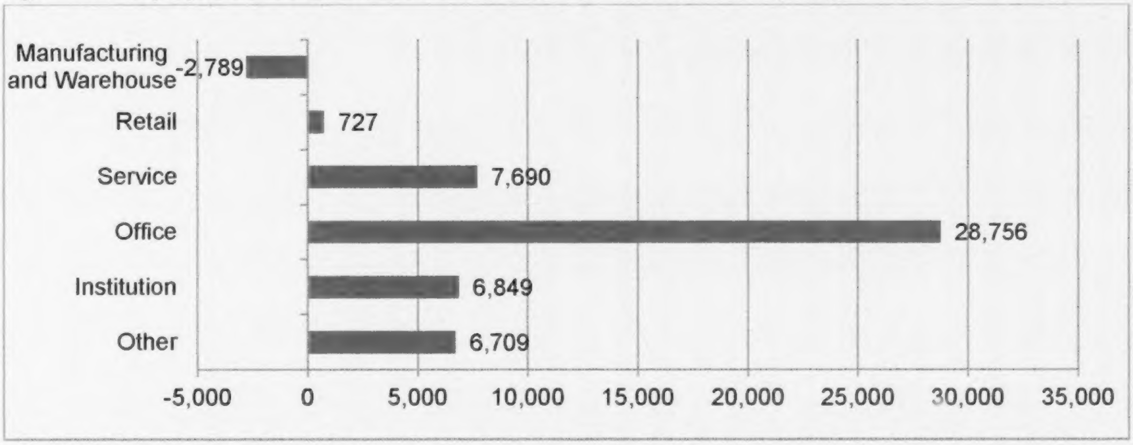
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure B.2: Employment Structure (% Distribution) in the Downtown and Central Waterfront by Major Sector, 2011



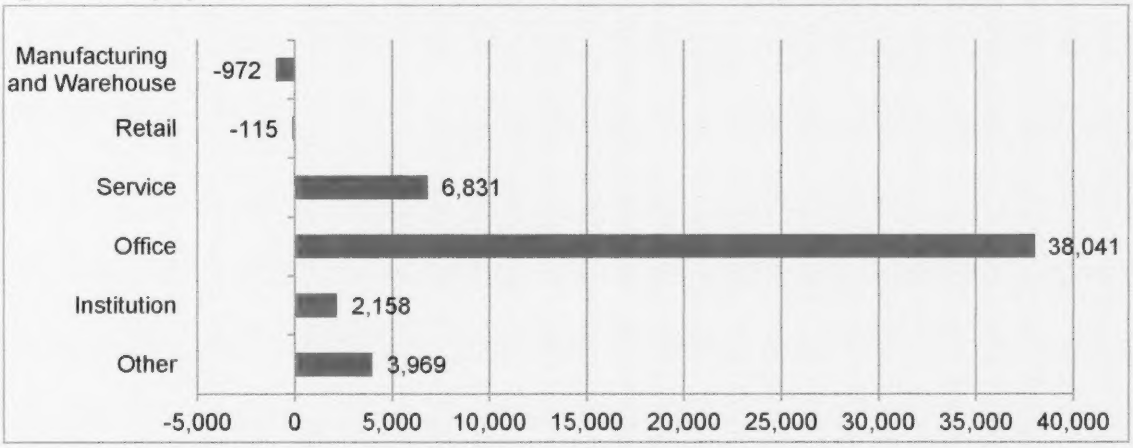
Source: City of Toronto Employment Survey, 2011

Figure B.3: Employment Growth in the Downtown and Central Waterfront by Major Sector, 2001 to 2011



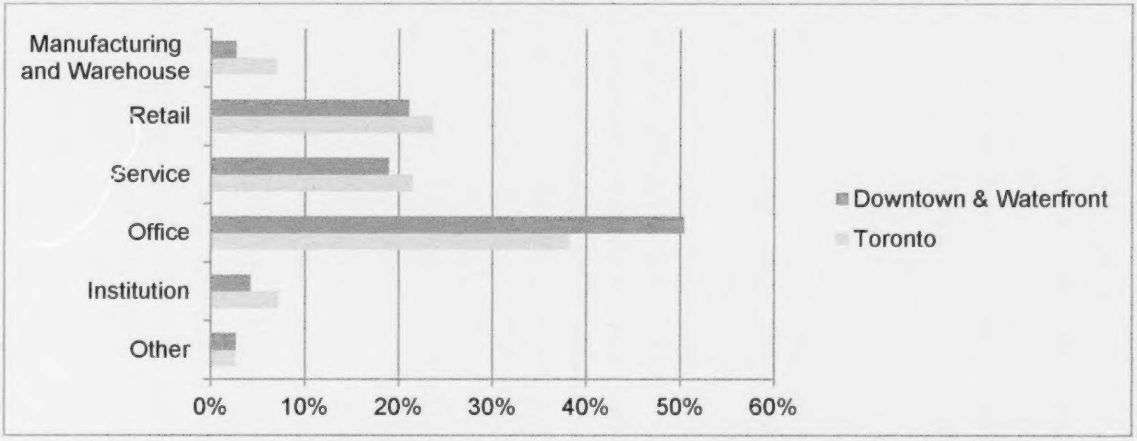
Source: City of Toronto Employment Survey, 2001 and 2011

Figure B.4: Employment Growth in the Downtown and Central Waterfront by Major Sector, 2006 to 2011



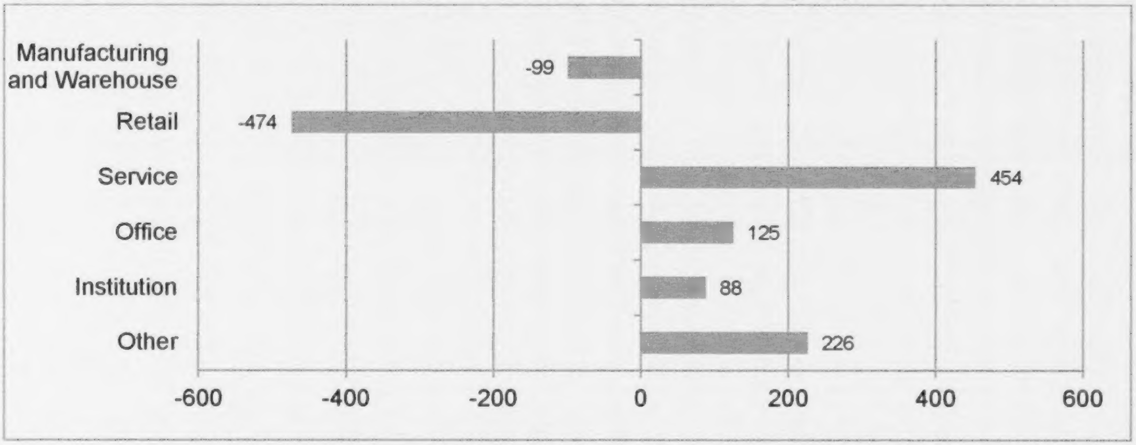
Source: City of Toronto Employment Survey, 2006 and 2011

Figure B.5: Establishment Structure (% Distribution) in the Downtown and Central Waterfront by Major Sector, 2011



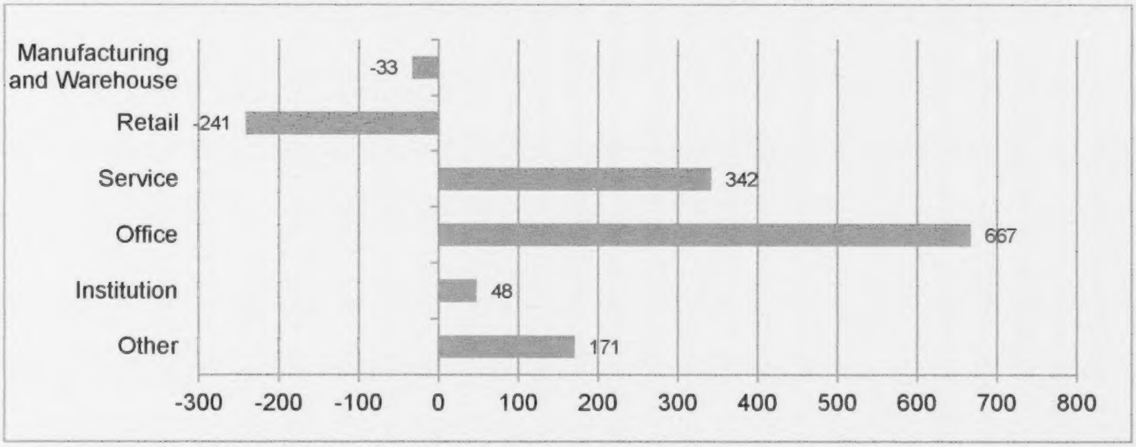
Source: City of Toronto Employment Survey, 2011

Figure B.6: Establishment Growth in the Downtown and Central Waterfront by Major Sector, 2001 to 2011



Source: City of Toronto Employment Survey, 2001 and 2011

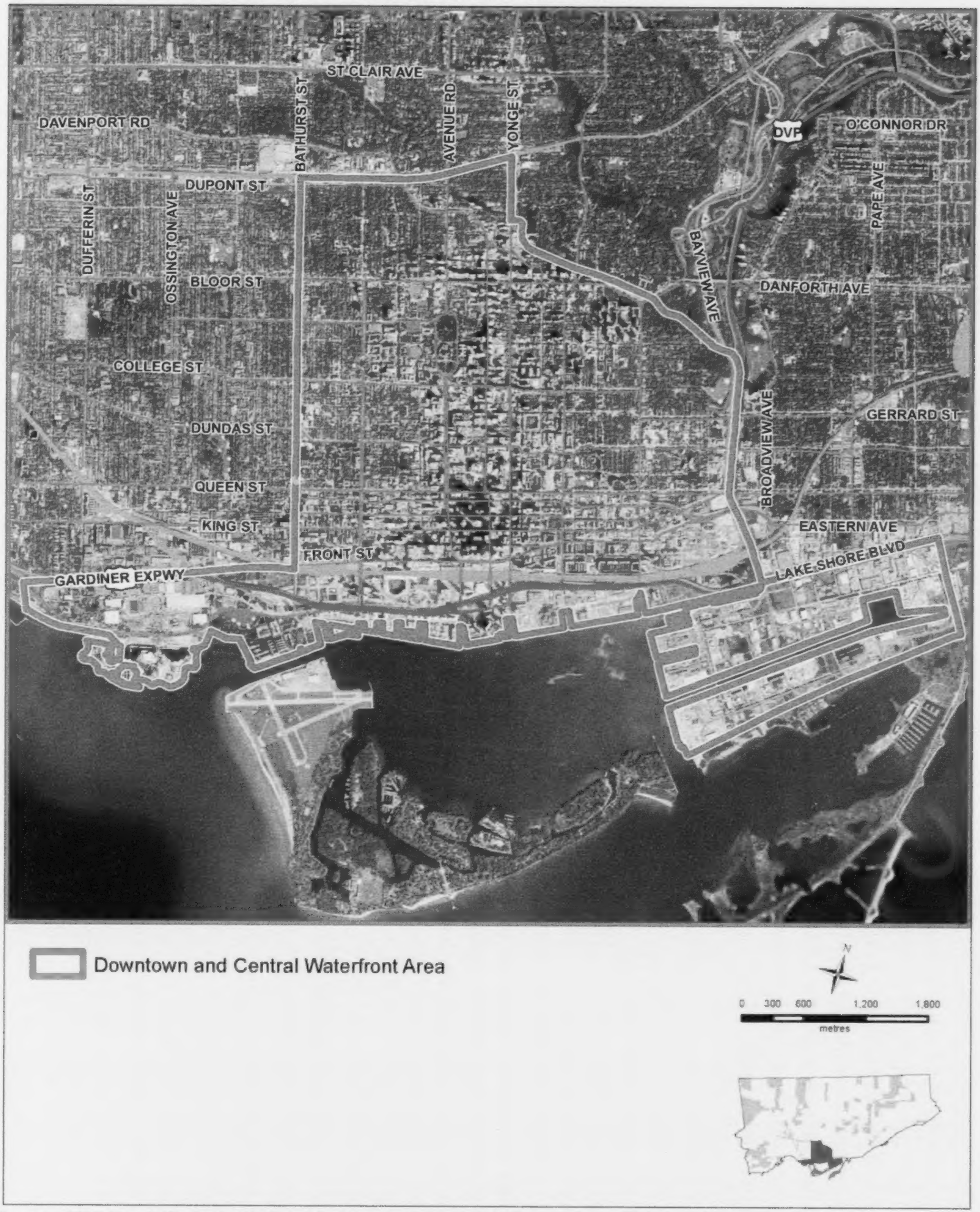
Figure B.7: Establishment Growth in the Downtown and Central Waterfront by Major Sector, 2006 to 2011



Source: City of Toronto Employment Survey, 2006 and 2011

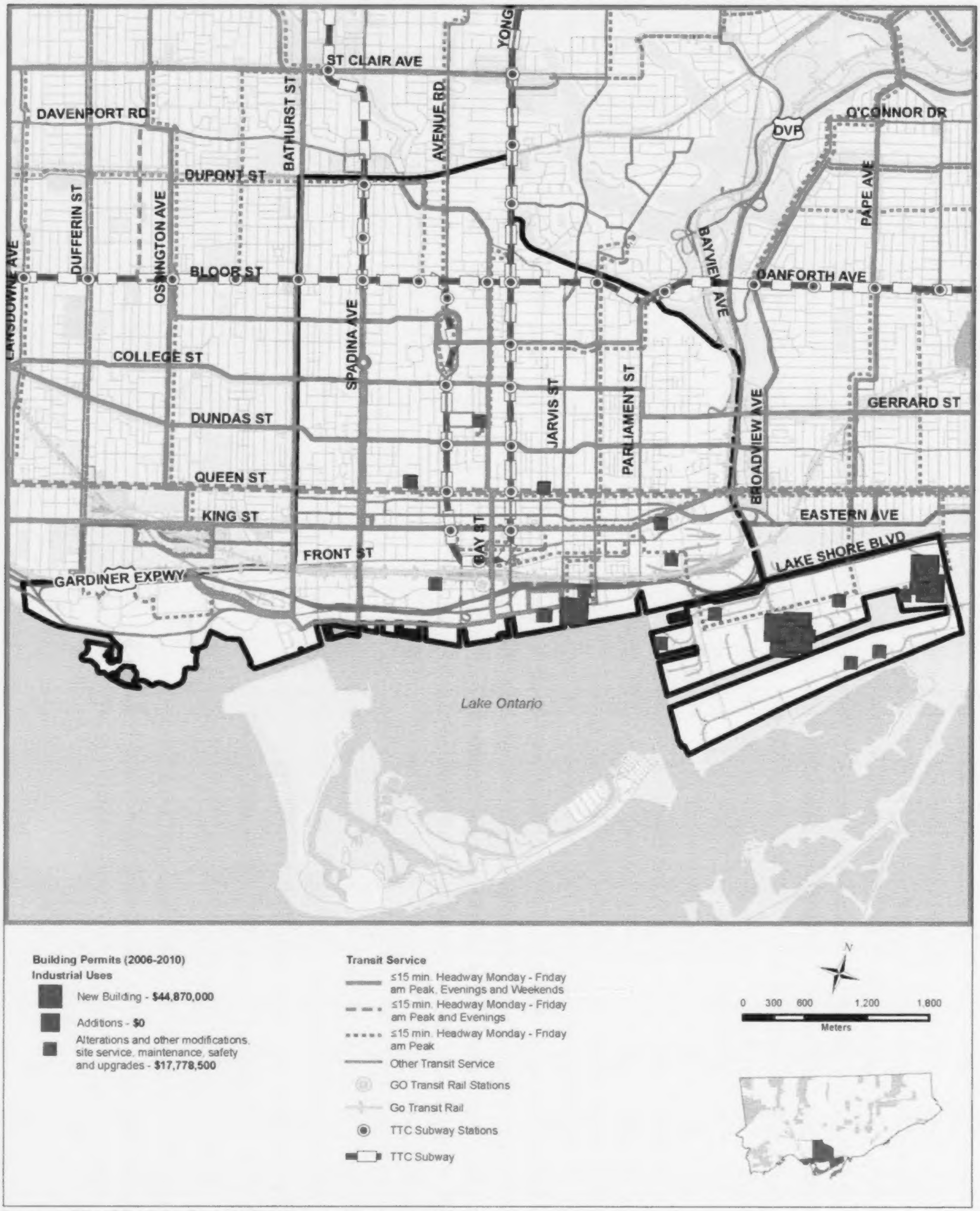
APPENDIX 3 B

Figure B.8: Extent and Character of the Downtown and Central Waterfront Area


ST CLAIR AVE
BATHURST ST
AVENUE RD
YONGE ST
DAVENPORT RD
DVP
O'CONNOR DR
DUPONT ST
DUFFERIN ST
OSSINGTON AVE
PAPE AVE
BAYVIEW AVE
BLOOR ST
DANFORTH AVE
COLLEGE ST
BROADVIEW AVE
GERRARD ST
DUNDAS ST
QUEEN ST
KING ST
EASTERN AVE
FRONT ST
LAKE SHORE BLVD
GARDINER EXPWY
Downtown and Central Waterfront Area
N
0 300 600 1,200 1,800
metres

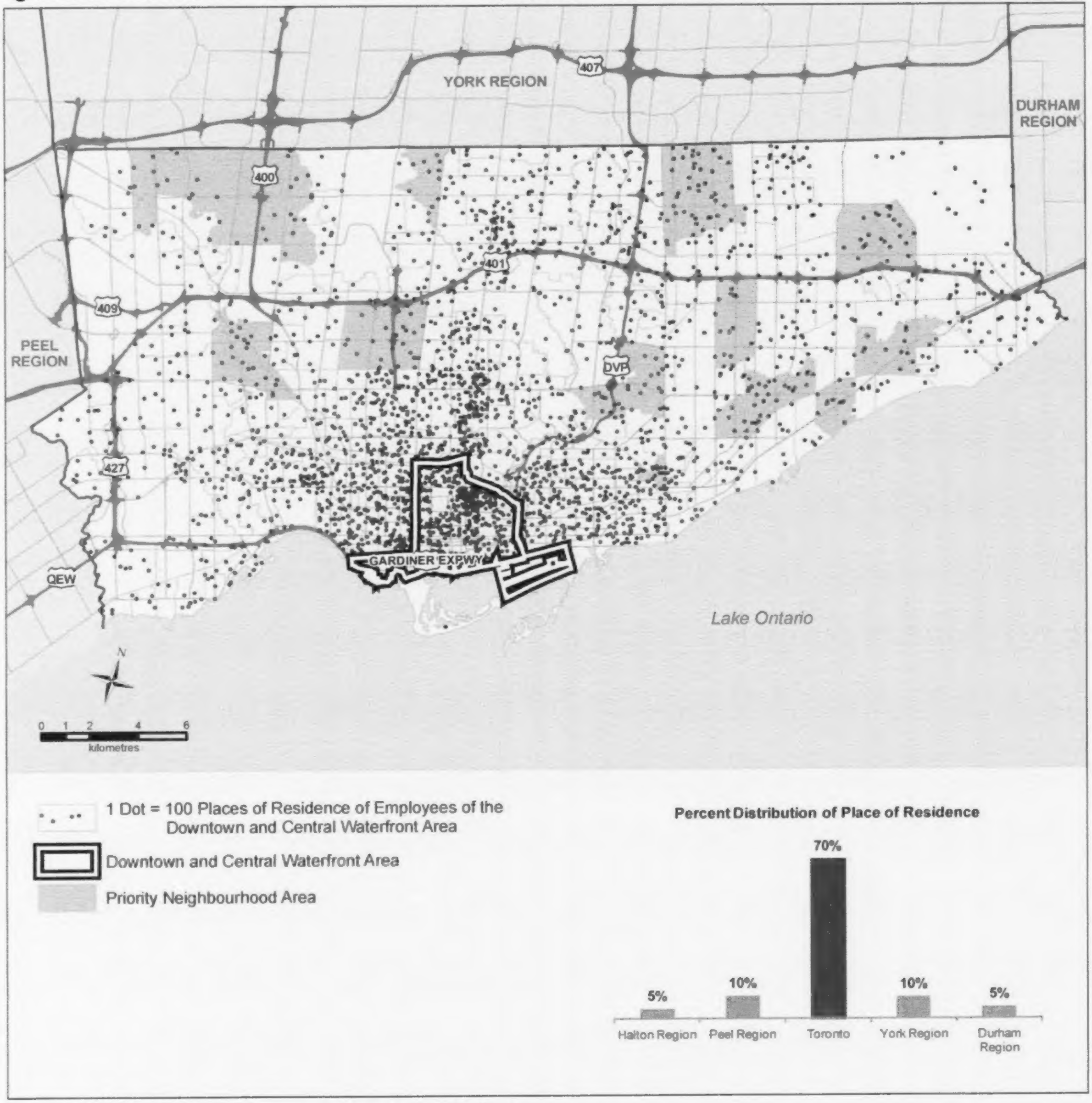
Source: 2012 Google Earth; © 2012 TerraMetrics; © 2012 Digital Globe; NOAA

Figure B.9: Industrial Re-investment and Transit Services in the Downtown and Central Waterfront Area


ST CLAIR AVE
YONGE
DAVENPORT RD
BATHURST ST
AVENUE RD
O'CONNOR DR
DVP
DUPONT ST
DUFFERIN ST
OSSINGTON AVE
PAPE AVE
BAYVIEW AVE
LANSDOWNE AVE
BLOOR ST
DANFORTH AVE
SPADINA AVE
COLLEGE ST
JARVIS ST
PARLIAMENT ST
GERRARD ST
DUNDAS ST
BROADVIEW AVE
QUEEN ST
KING ST
EASTERN AVE
BAY ST
FRONT ST
LAKE SHORE BLVD
GARDINER EXPWY
Lake Ontario
Building Permits (2006-2010)
Industrial Uses
New Building - $44,870,000
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $17,778,500
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 300 600 1,200 1,800
Meters

Source: *City of Toronto. Toronto Employment Survey, 2011*

Figure B.10: Distribution of Place of Residence for Employment in the Downtown and Central Waterfront, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 100 Places of Residence of Employees of the Downtown and Central Waterfront Area
Downtown and Central Waterfront Area
Priority Neighbourhood Area
Percent Distribution of Place of Residence
5%
10%
70%
10%
5%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

B.1.1 Regeneration Areas in the Downtown and Central Waterfront

Figure B. 11: Profile Data for the Downtown and Central Waterfront, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Employment (Total PT & FT)	45,289	45,885	53,364	18%	4%
No. of Establishments	2,455	2,259	2,327	-5%	3%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	71%, 15%, 7%, 4%, 3%	67%, 18%, 8%, 4%, 3%	64%, 19%, 8%, 5%, 4%	-	-
Total Non Res. Assessment ($)	$994,400,345	-	$2,975,822,836	199%	3.71%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

B.1.2 Institutional Areas in the Downtown and Central Waterfront

Figure B.12: Profile Data for the Downtown and Waterfront, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Employment (Total PT & FT)	36,054	46,510	50,352	40%	4%
No. of Establishments	173	202	212	23%	0%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	31%, 15%, 20%, 9%, 25%	36%, 15%, 11%, 14%, 23%	41%, 16%, 8%, 10%, 25%	-	-
Total Non Res. Assessment ($)	$38,165,094	-	$97,491,800	155%	0.12%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

APPENDIX 3 C

Centres

Summary Profile Data for Centres, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	356.6	-	3.2%
Vacant Area (Ha)	-	-	36.5	-	3.7%
Vacant Area (% of Net)	-	-	10.2%	-	-
Employment (Total PT & FT)	74,749	70,290	77,285	3.4%	5.9%
No. of Establishments	3,256	3,369	3,646	12.0%	4.9%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	73%, 14%, 6%, 3%, 4%	75%, 13%, 5%, 3%, 3%	75%, 13%, 5%, 4%, 3%	-	-
Industrial Inventory (sq.ft.) (Scarborough Centre only)	-	-	871,614	-	0.3%
Industrial Vacancy Rate (Scarborough Centre only)	-	-	-	-	-
Industrial Rental Rate ($) (Scarborough Centre only)	-	-	-	-	-
Office Space (Net Rentable Area, sq.ft.)	13,555,442	14,089,959	14,103,139	4.0%	10.5%
Unoccupied Office Space	3.9%	8.9%	8.2%	-	-
Office Rental Rate (Gross $/sq.ft.)	-	-	$33.92	-	-
Total Non Res. Assessment ($)	$1,900,947,459	-	$4,593,675,623	0.6x	5.7%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

This Page Is Left Intentionally Blank

C.1 Yonge Eglinton Centre

Yonge Eglinton Centre is located centrally in the City of Toronto. It is bound by Sherwood Ave. to the north, Mount Pleaseant Rd to the east, Soudan Ave to the south, and Yonge St. and Duplex Ave. to the west. In 2011, the district employed 16,876 people predominantly in the Office sector, followed by the Service Sector. In total, Yonge Eglinton Centre has approximately 1,030 firms.

Key Facts:

- ***The Yonge Eglinton Centre employed 16,876 people in 2011, a 2.6% increase from 2001;***
- ***It supported 1% of the City's employment in 2011, and 1% of its non-residential assessment;***
- ***Employment growth (2001-2011) occurred in the Manufacturing and Warehouse (31%), Service (7%), and Office (1%) sectors, with a 10% decline in its Institutional sector and 7% decline in its Retail sector employment;***
- ***New establishment growth was concentrated in the Service and Office sectors.***
- ***The Centre benefits from access via the Yonge and Eglinton arterials and the Eglinton subway station, which is also a nexus for a number of bus transit routes;***
- ***Of persons living in the GTAH, residents of Toronto hold 73% of the jobs located in the Centre.***

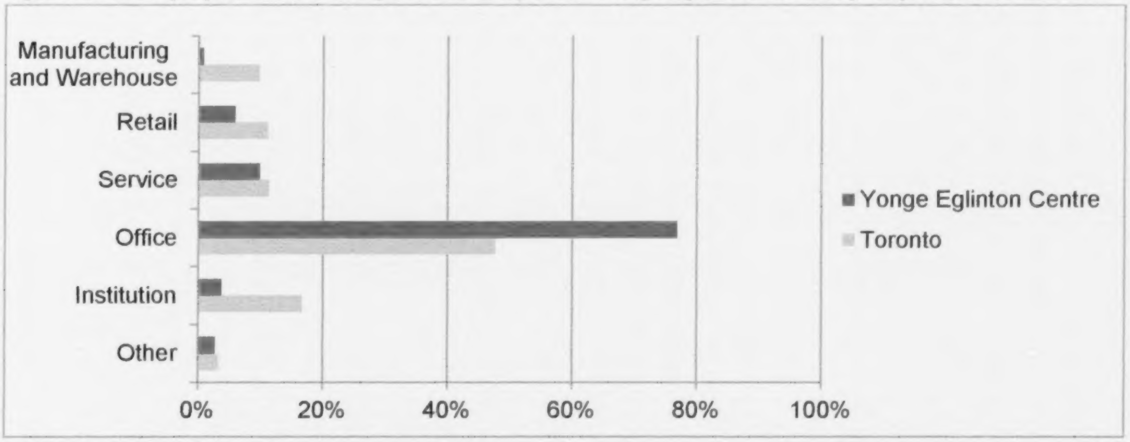
Figure C.1.1: Profile Data for the Yonge Eglinton Centre, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	48.2	-	-
Vacant Area (Ha)	-	-	0.3	-	-
Vacant Area (% of Net)	-	-	0.6%	-	-
Employment (Total PT & FT)	16,572	15,802	16,876	2.6%	1.3%
No. of Establishments	957	956	1,030	7.6%	1.4%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	73%, 15%, 6%, 3%, 3%	74%,15%, 6%, 3%, 2%	76%, 14%, 5%, 3%, 2%	-	-
Total Non Res. Assessment ($)	$320,537,847	-	$878,135,074	0.7x	1.1%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

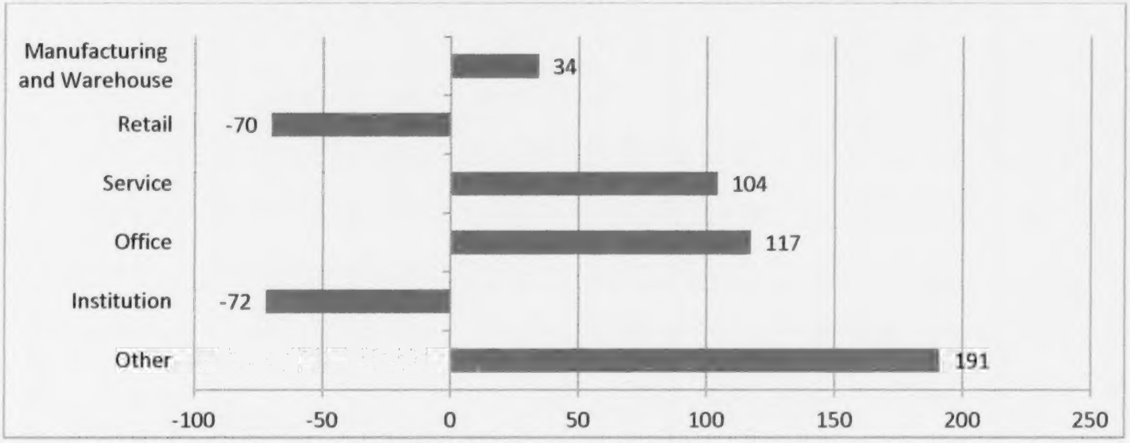
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure C.1.2: Employment Structure (% Distribution) in the Yonge Eglinton Centre by Major Sector, 2011



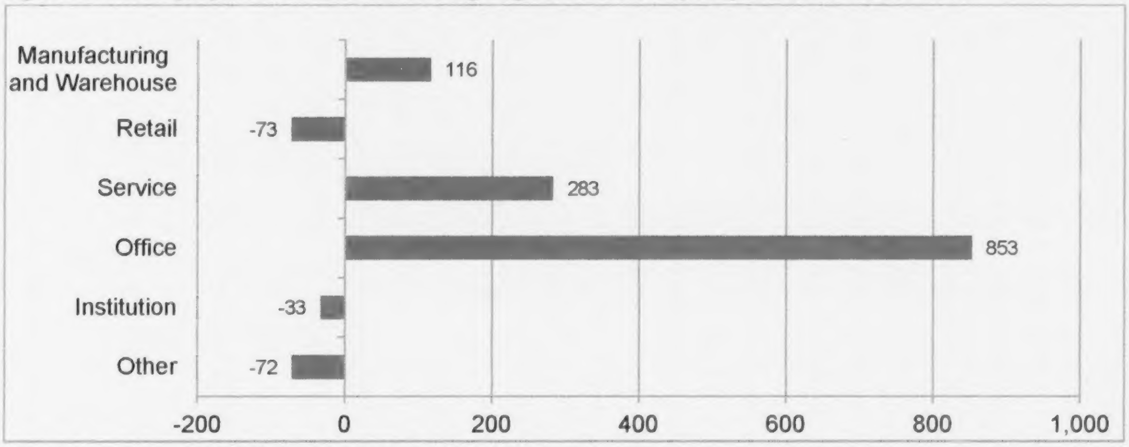
Source: City of Toronto Employment Survey, 2011

Figure C.1.3: Employment Growth in the Yonge Eglinton Centre by Major Sector, 2001 to 2011



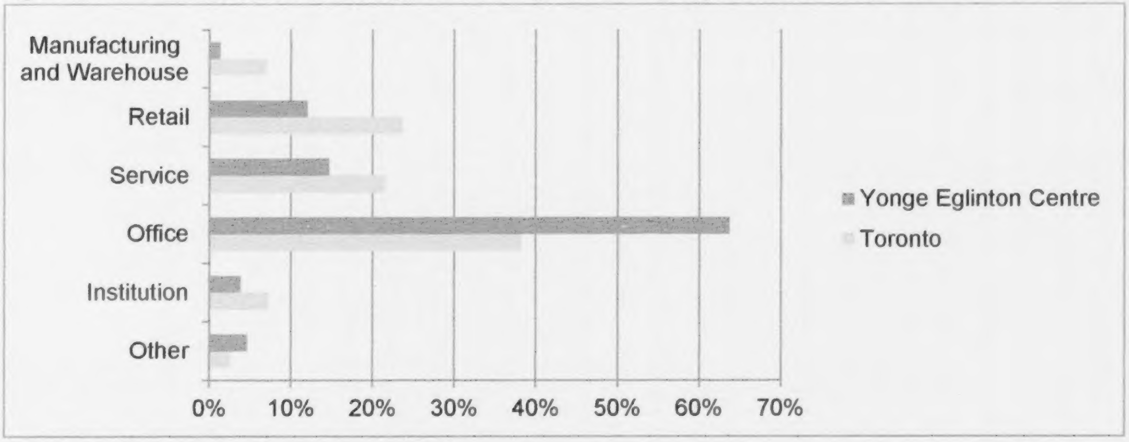
Source: City of Toronto Employment Survey, 2001 and 2011

Figure C.1.4: Employment Growth in the Yonge Eglinton Centre by Major Sector, 2006 to 2011



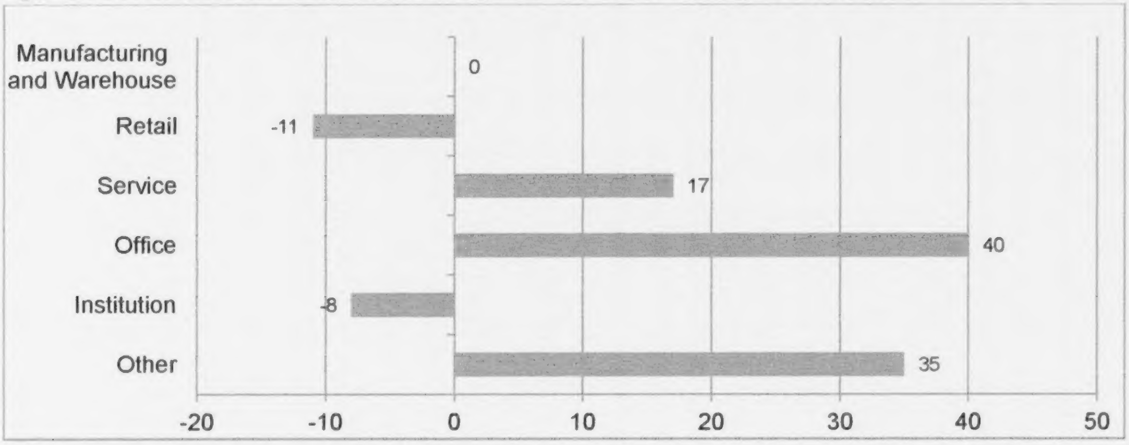
Source: City of Toronto Employment Survey, 2006 and 2011

Figure C.1.5: Establishment Structure (% Distribution) in the Yonge Eglinton Centre by Major Sector, 2011



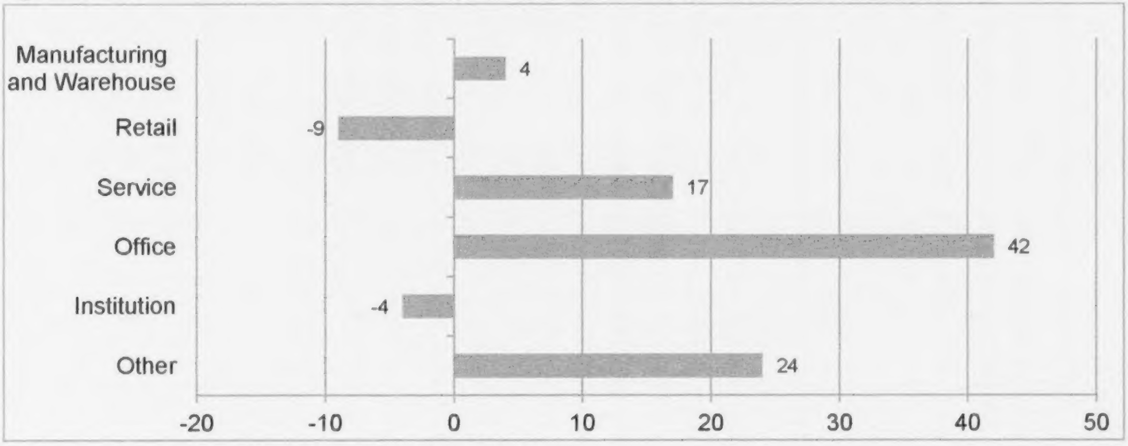
Source: City of Toronto Employment Survey, 2011

Figure C.1.6: Establishment Growth in the Yonge Eglinton Centre by Major Sector, 2001 to 2011



Source: City of Toronto Employment Survey, 2001 and 2011

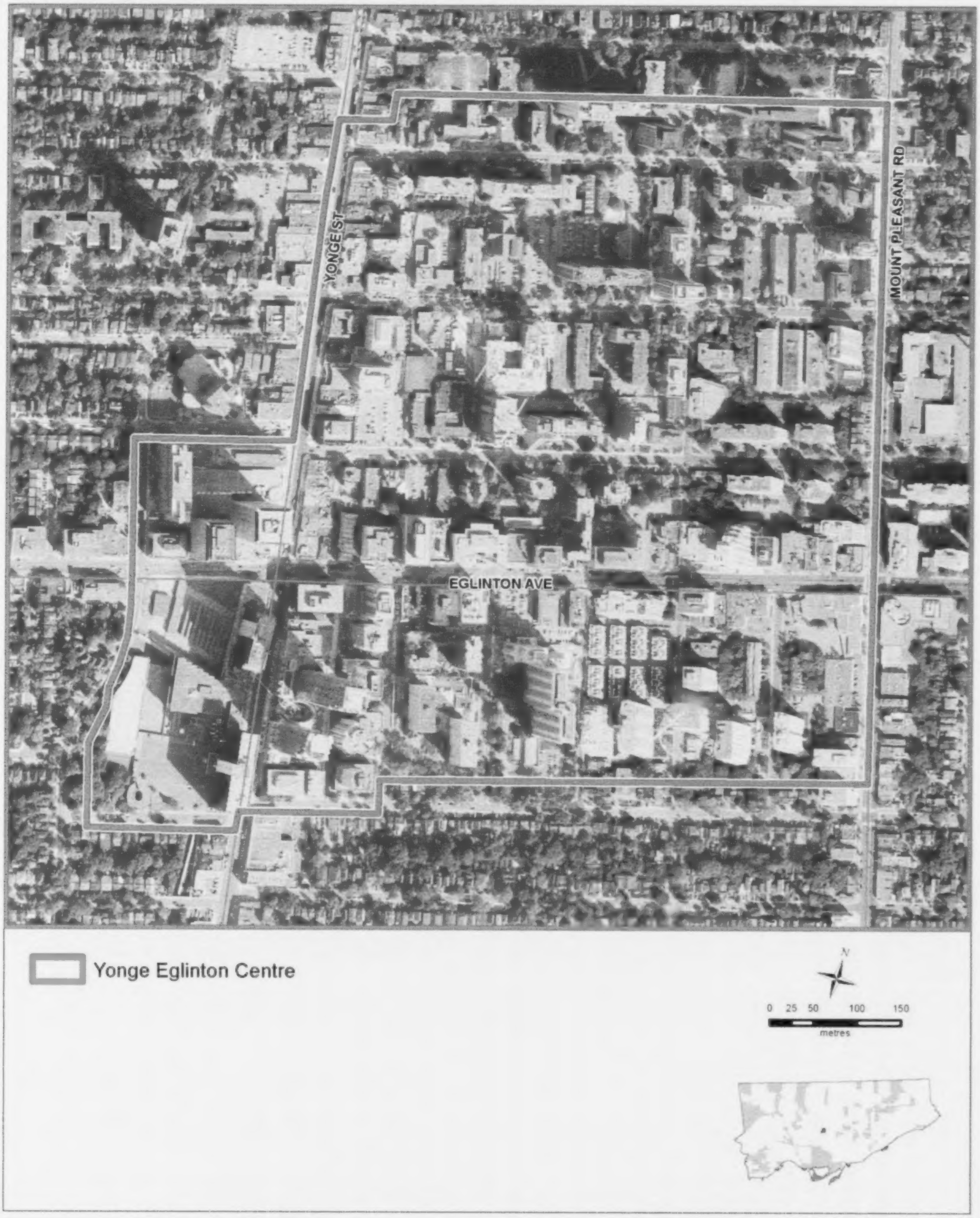
Figure C.1.7: Establishment Growth in the Yonge Eglinton Centre by Major Sector, 2006 to 2011



Source: City of Toronto Employment Survey, 2006 and 2011

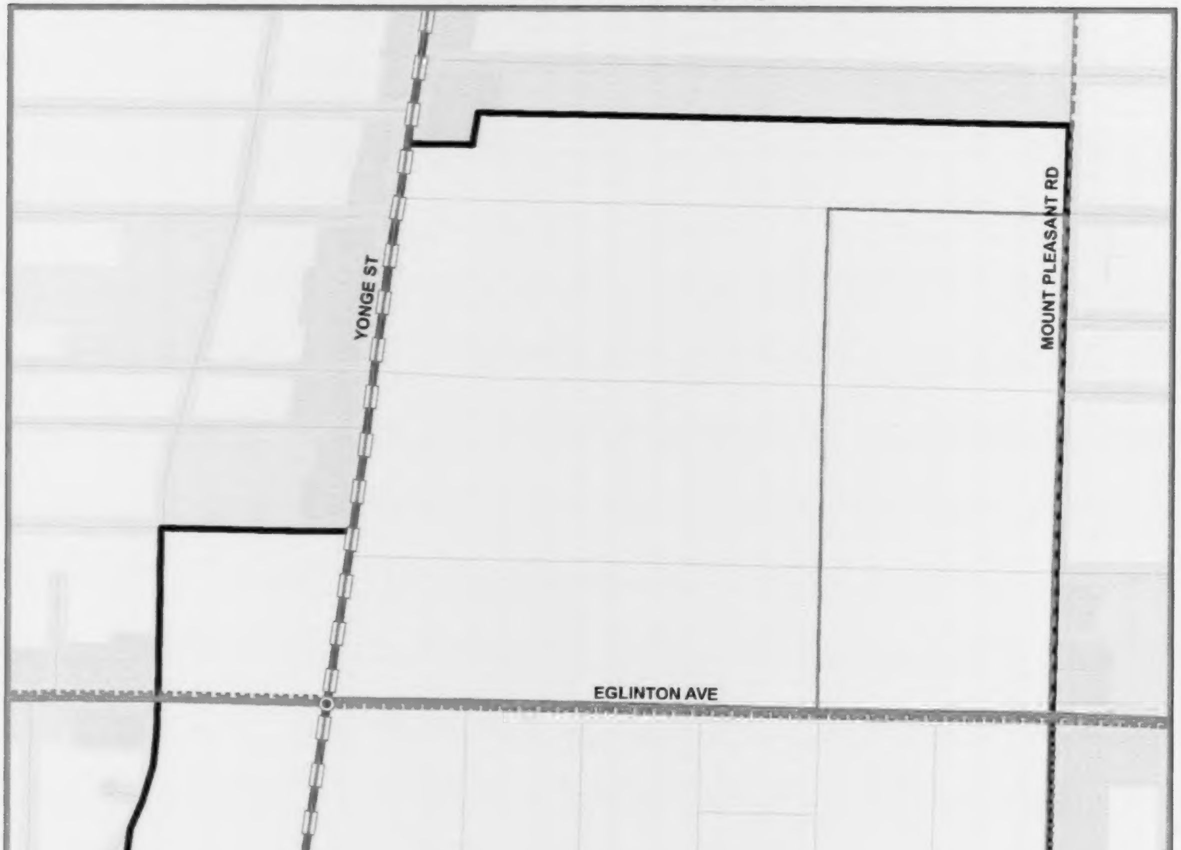
APPENDIX 3 C.1

Figure C.1.8: Extent and Character of the Yonge Eglinton Centre


YONGE ST
MOUNT PLEASANT RD
EGLINTON AVE
Yonge Eglinton Centre
N
0 25 50 100 150
metres

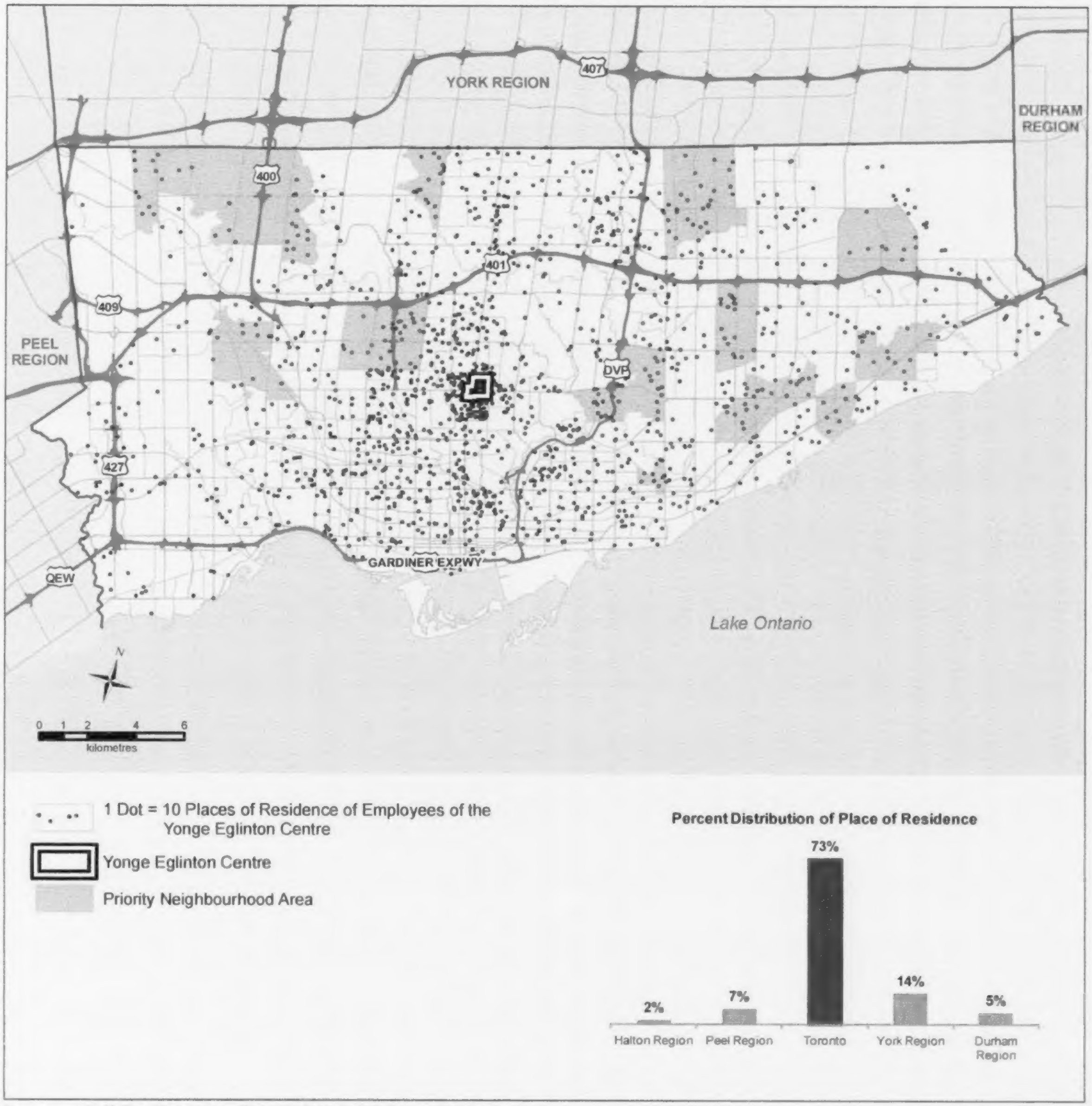
Source: 2012 Google Earth; © 2012 Digital Globe

Figure C.1.9: Industrial Re-investment and Transit Services in the Yonge Eglinton Centre


YONGE ST
MOUNT PLEASANT RD
EGLINTON AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $0
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 25 50 100 150
metres

Source: City of Toronto. Toronto Transit Commission.

Figure C.1.10: Distribution of Place of Residence for Employment in the Yonge Eglinton Centre, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Yonge Eglinton Centre
Yonge Eglinton Centre
Priority Neighbourhood Area
Percent Distribution of Place of Residence
2%
7%
73%
14%
5%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

This Page Is Left Intentionally Blank

C.2 North York Centre

North York Centre is the second largest Centre with regards to employment following the Downtown & Central Waterfront. It is located centrally in the north end of Toronto and is generally bounded by Drewry Ave. to the north, Kenneth Ave. to the east, Hwy. 401 to the south, and Beecroft Rd. to the west. In 2011, the district employed 36,539 people predominantly in the Office sector, followed by the Service sector. In total, North York Centre has approximately 1,368 firms.

Key Facts:

- ***The North York Centre employed 36,539 people in 2011, a 21.2% increase from 2006 and a 19.0% increase from 2001;***
- ***It supported 2.8% of the City's employment in 2011, and 2.9% of its non-residential assessment;***
- ***Employment growth (2001-2011) occurred in its Institutional (45%), Office (20%), Service (14%), and Manufacturing and Warehouse (10%) sectors, with a 14% decline in its Retail sector;***
- ***New establishment growth was concentrated in the Institutional, Service, and Office sectors.***
- ***The District has access from Hwy 401 and the Yonge Street, Sheppard and Finch Avenue arterials. It is served by both the Yonge and Sheppard subway lines and bus transit modes;***
- ***Of persons living in the GTAH, residents of Toronto hold 63% of the jobs located in the Centre.***

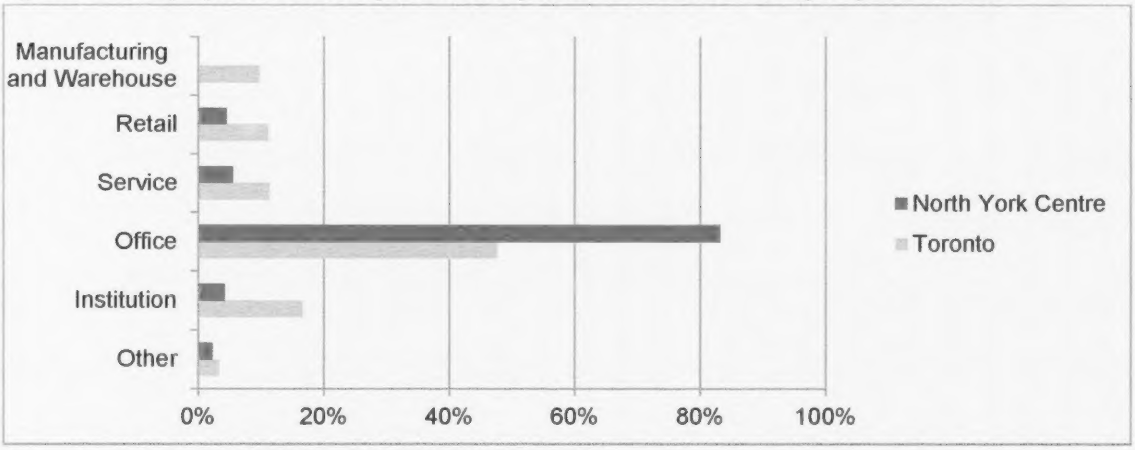
Figure C.2.1: Profile Data for the North York Centre, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	115.1	-	-
Vacant Area (Ha)	-	-	11.7	-	-
Vacant Area (% of Net)	-	-	10.2%	-	-
Employment (Total PT & FT)	30,703	30,151	36,539	19.0%	2.8%
No. of Establishments	1,182	1,230	1,368	15.7%	1.8%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	74%, 12%, 6%, 4%, 4%	76%, 11%, 6%, 3%, 4%	74%, 12%, 5%, 4%, 4%	-	-
Total Non Res. Assessment ($)	$925,436,583	-	$2,290,565,006	0.6x	2.9%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

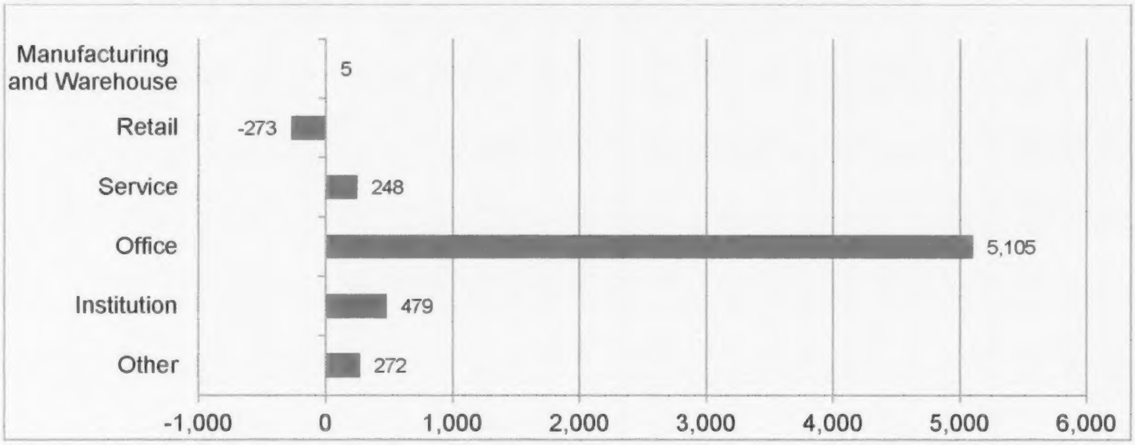
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure C.2.2: Employment Structure (% Distribution) in the North York Centre by Major Sector, 2011



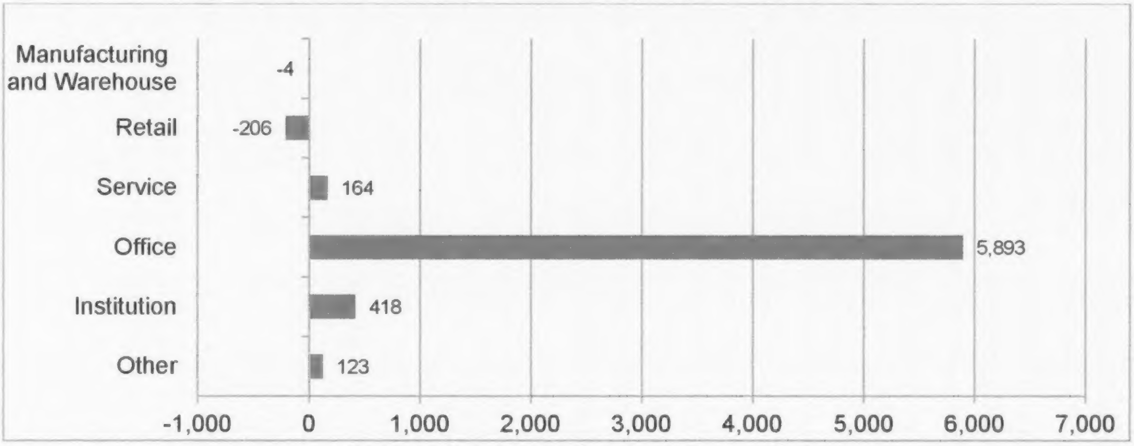
Source: City of Toronto Employment Survey, 2011

Figure C.2.3: Employment Growth in the North York Centre by Major Sector, 2001 to 2011



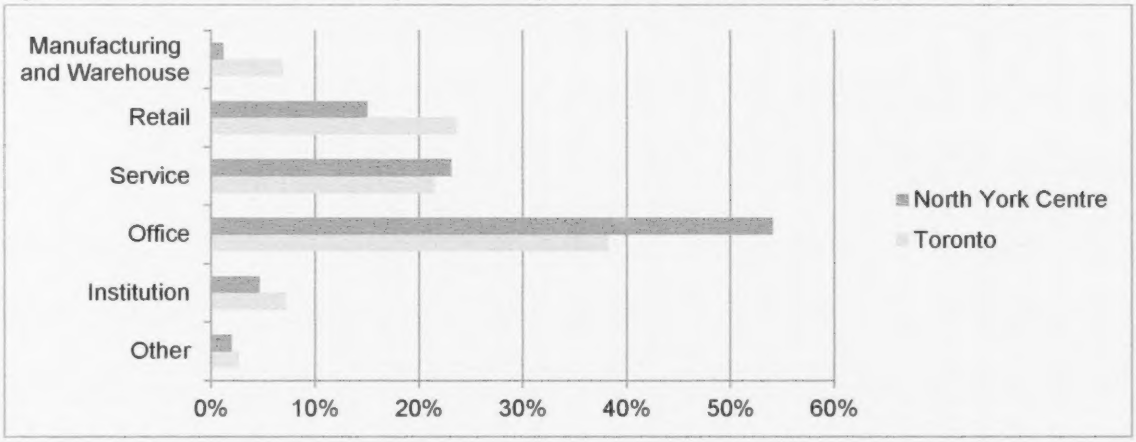
Source: City of Toronto Employment Survey, 2001 and 2011

Figure C.2.4: Employment Growth in the North York Centre by Major Sector, 2006 to 2011



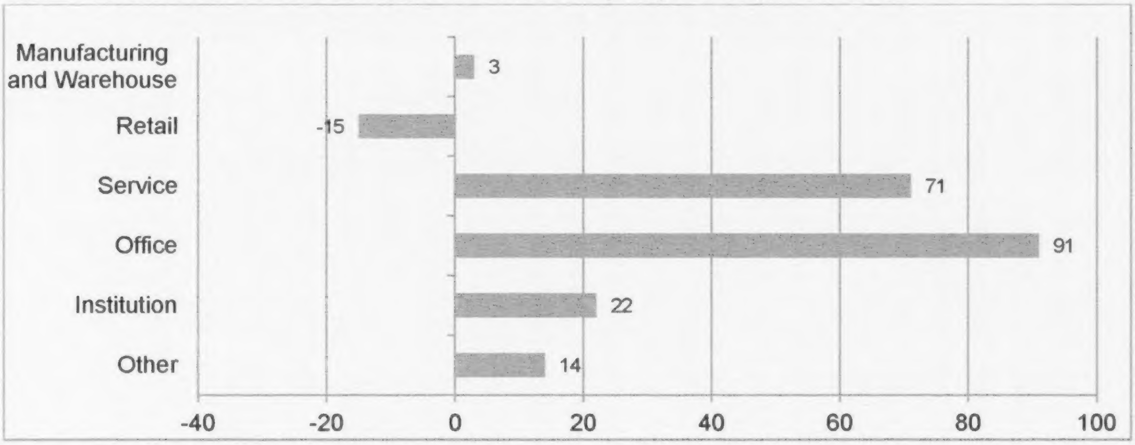
Source: City of Toronto Employment Survey, 2006 and 2011

Figure C.2.5: Establishment Structure (% Distribution) in the North York Centre by Major Sector, 2011



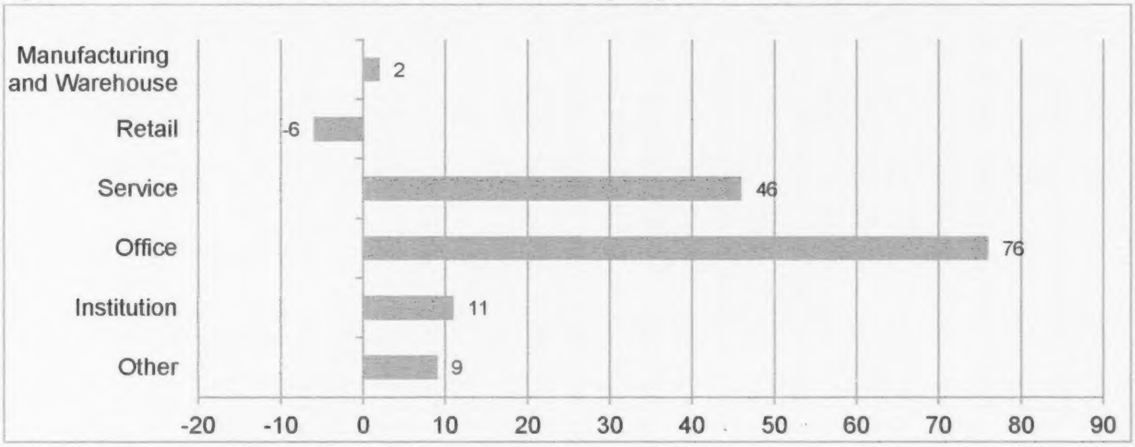
Source: City of Toronto Employment Survey, 2011

Figure C.2.6: Establishment Growth in North York Centre by Major Sector, 2001 to 2011



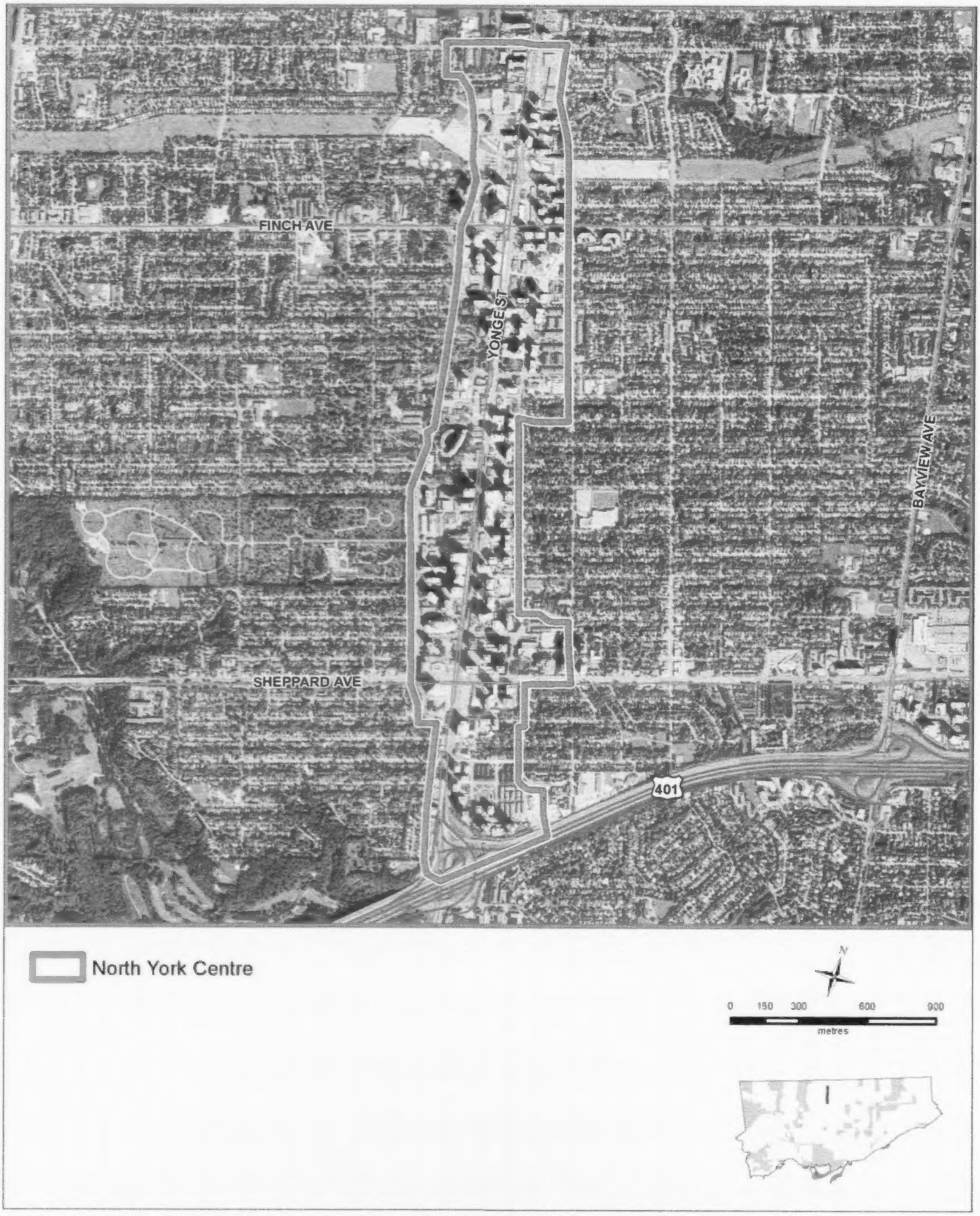
Source: City of Toronto Employment Survey, 2001 and 2011

Figure C.2.7: Establishment Growth in North York Centre by Major Sector, 2006 to 2011



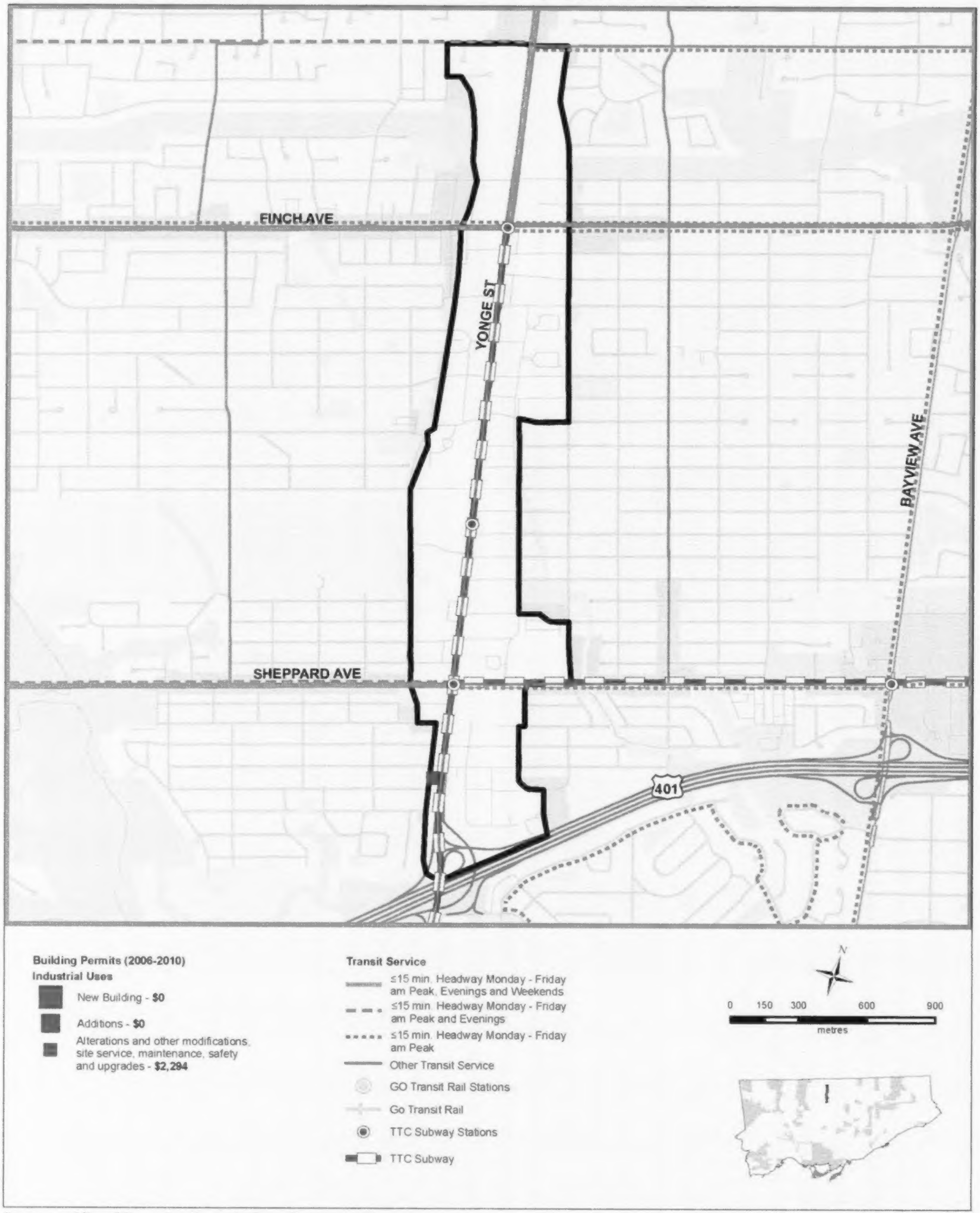
Source: City of Toronto Employment Survey, 2006 and 2011

Figure C.2.8: Extent and Character of the North York Centre


FINCH AVE
YONGE ST
BAYVIEW AVE
SHEPPARD AVE
401
North York Centre
N
0 150 300 600 900
metres

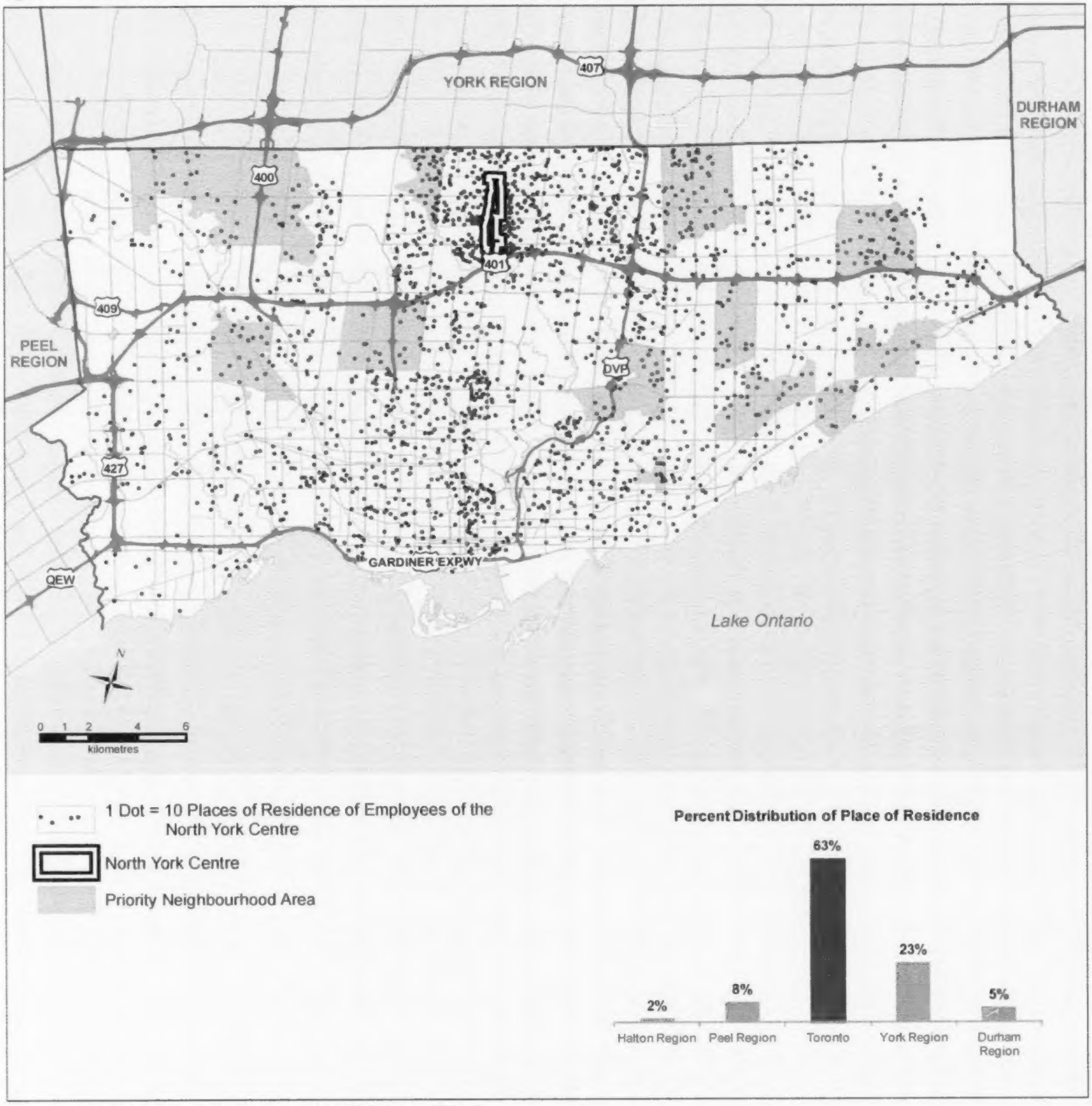
Source: 2012 Google Earth; © 2012 Digital Globe

Figure C.2.9: Industrial Re-investment and Transit Services in the North York Centre


FINCH AVE
YONGE ST
SHEPPARD AVE
BAYVIEW AVE
401
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $2,294
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 150 300 600 900
metres

Source: City of Toronto. Toronto Transit Commission.

Figure C.2.10: Distribution of Place of Residence for Employment in the North York Centre, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the North York Centre
North York Centre
Priority Neighbourhood Area
Percent Distribution of Place of Residence
2%
8%
63%
23%
5%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

This Page Is Left Intentionally Blank

C.3 Scarborough Centre

Scarborough Centre is the second smallest Centre in terms of employment and is located in the northeast end of Toronto along Hwy. 401. Its boundaries include Hwy.401 to the north, Markham Rd. to the east, Ellesmere Rd. to the south, and Midland Rd. to the west. In 2011, the centre employed 15,033 people predominantly in the Office sector, followed by the Retail sector – much of it in the Scarborough Town Centre complex. In total, Scarborough Centre has approximately 549 firms.

Key Facts:

- *The Scarborough Centre employed 15,033 people in 2011, a 7.2% increase from 2006 but a 8.6% decline from 2001;*
- *It supported 1.1% of the City's employment in 2011, and 1.2% of its non-residential assessment;*
- *The Centre had $417,900 in industrial permit values between 2006 and 2010;*
- *Employment growth (2001-2011) occurred in its Service (102%), Institutional (99%), and Retail (25%) sectors, with a 53% decline in its Manufacturing employment and 21% decline in Office employment;*
- *New establishment growth was concentrated in the Institutional, Service, and Office sectors. In Manufacturing, growth in establishments is occurring notwithstanding the overall decline in Manufacturing employment;*
- *Of 871,614 sq ft of industrial space in 2011, the average vacancy rate is 5.0% versus 4.0% citywide;*
- *Most built industrial space dates to the 1970's, concentrated in buildings with clear ceiling heights in the 16 to 20 foot range;*
- *The Centre has access from Hwy 401 and McCowan, Brimley and Ellesmere Roads, and is served by the Scarborough Rapid Transit link to the Bloor Subway line. The Scarborough RT station is a nexus for a number of bus transit routes;*
- *Of persons living in the GTAH, residents of Toronto hold 63% of the jobs located in the Centre.*

Figure C.3.1: Profile Data for the Scarborough Centre, 2001, 2006 and 2011

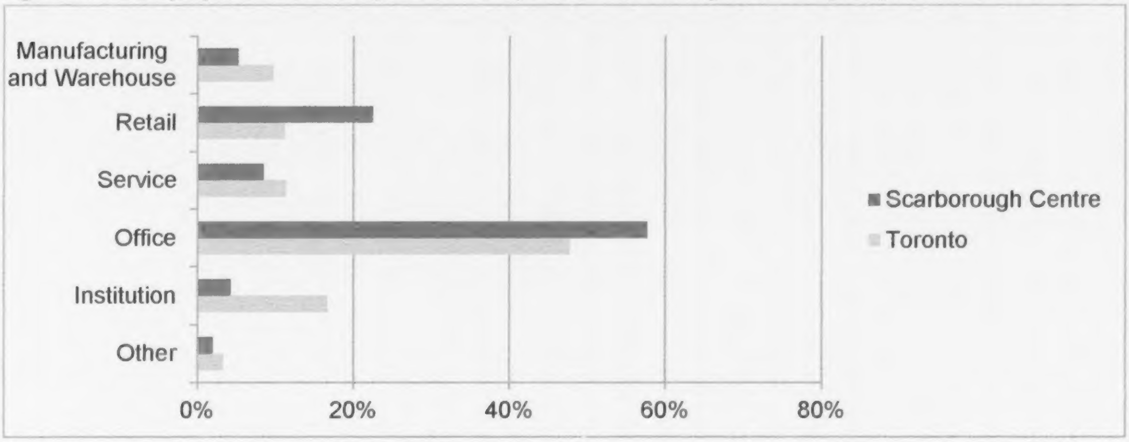
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	115.7	-	-
Vacant Area (Ha)	-	-	13.2	-	-
Vacant Area (% of Net)	-	-	11.4%	-	-
Employment (Total PT & FT)	16,454	14,023	15,033	-8.6%	1.1%
No. of Establishments	426	528	529	24.2%	0.7%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	63%, 23%, 6%, 4%, 4%	66%, 19%, 7%, 4%, 3%	68%, 17%, 6%, 5%, 4%	-	-
Industrial Inventory (sq.ft)	-	-	871,614	-	-
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	-	-	-
Total Non Res. Assessment ($)	$450,364,643	-	$953,827,887	0.4x	1.2%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

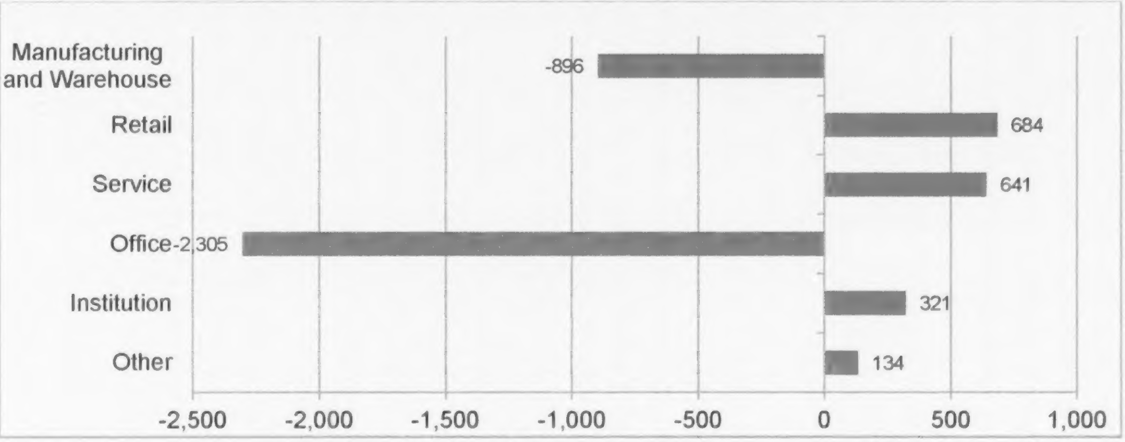
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure C.3.2: Employment Structure (% Distribution) in the Scarborough Centre by Major Sector, 2011



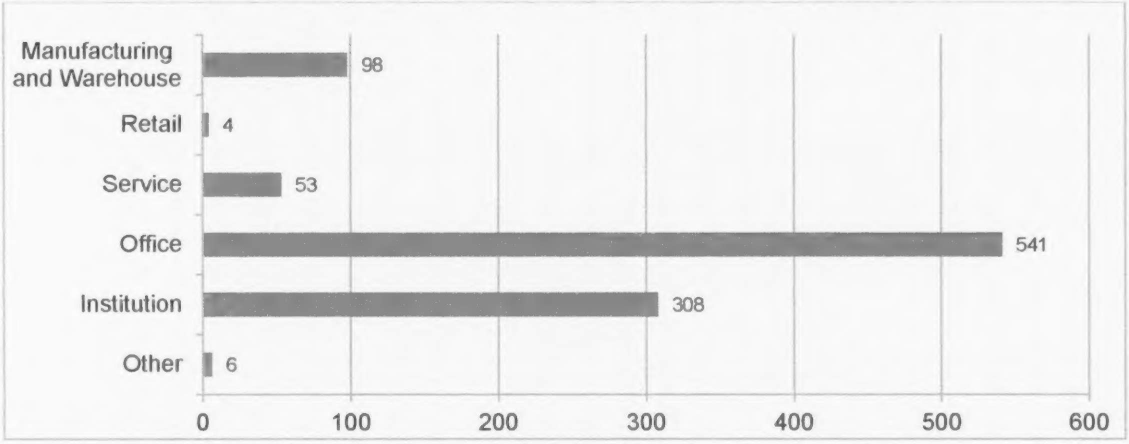
Source: City of Toronto Employment Survey, 2011

Figure C.3.3: Employment Growth in the Scarborough Centre by Major Sector, 2001 to 2011



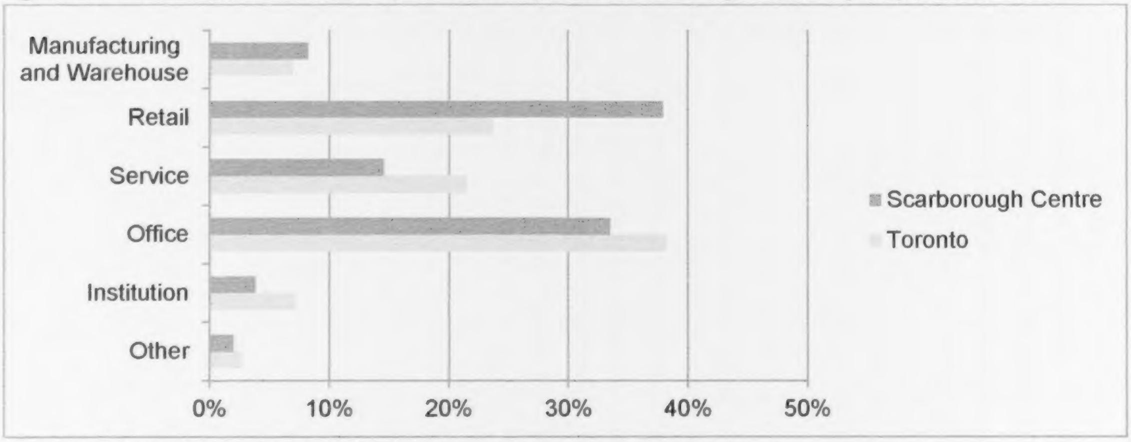
Source: City of Toronto Employment Survey, 2001 and 2011

Figure C.3.4: Employment Growth in the Scarborough Centre by Major Sector, 2006 to 2011



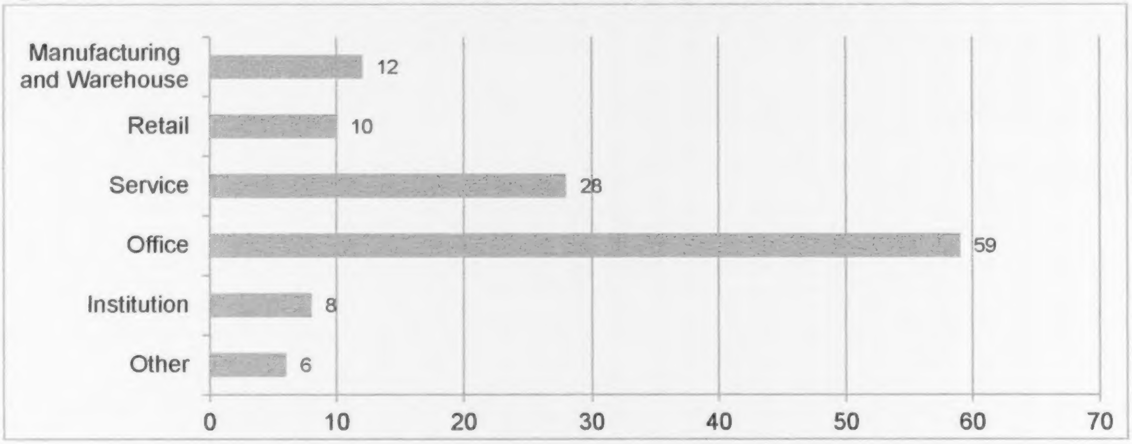
Source: City of Toronto Employment Survey, 2006 and 2011

Figure C.3.5: Establishment Structure (% Distribution) in the Scarborough Centre by Major Sector, 2011



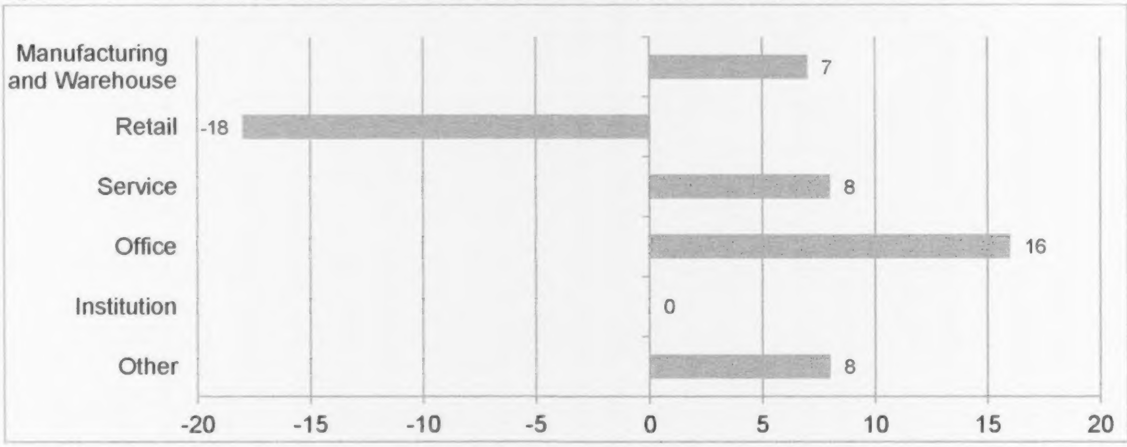
Source: City of Toronto Employment Survey, 2011

Figure C.3.6: Establishment Growth in Scarborough Centre by Major Sector, 2001 to 2011



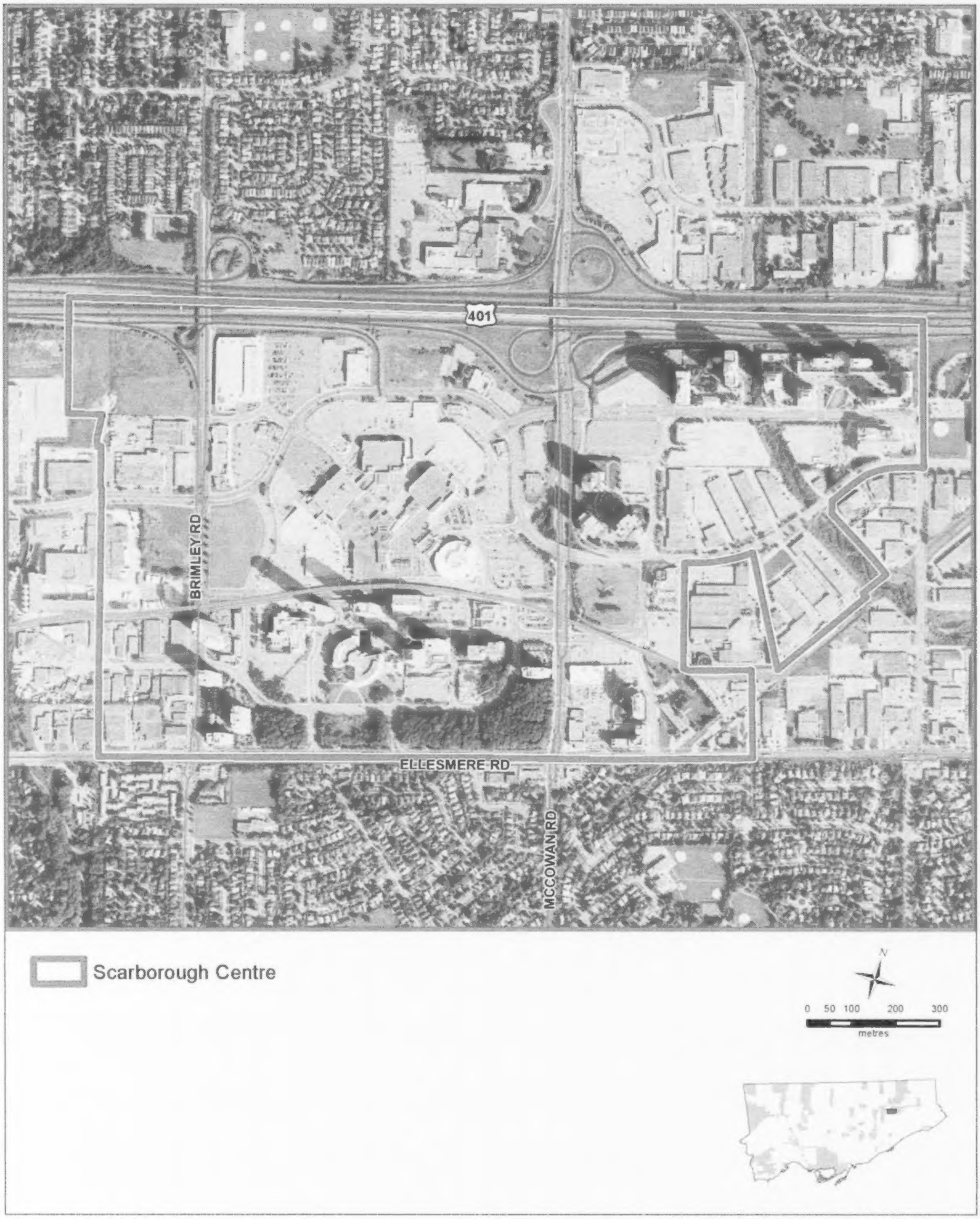
Source: City of Toronto Employment Survey, 2001 and 2011

Figure C.3.7: Establishment Growth in Scarborough Centre by Major Sector, 2001 to 2011



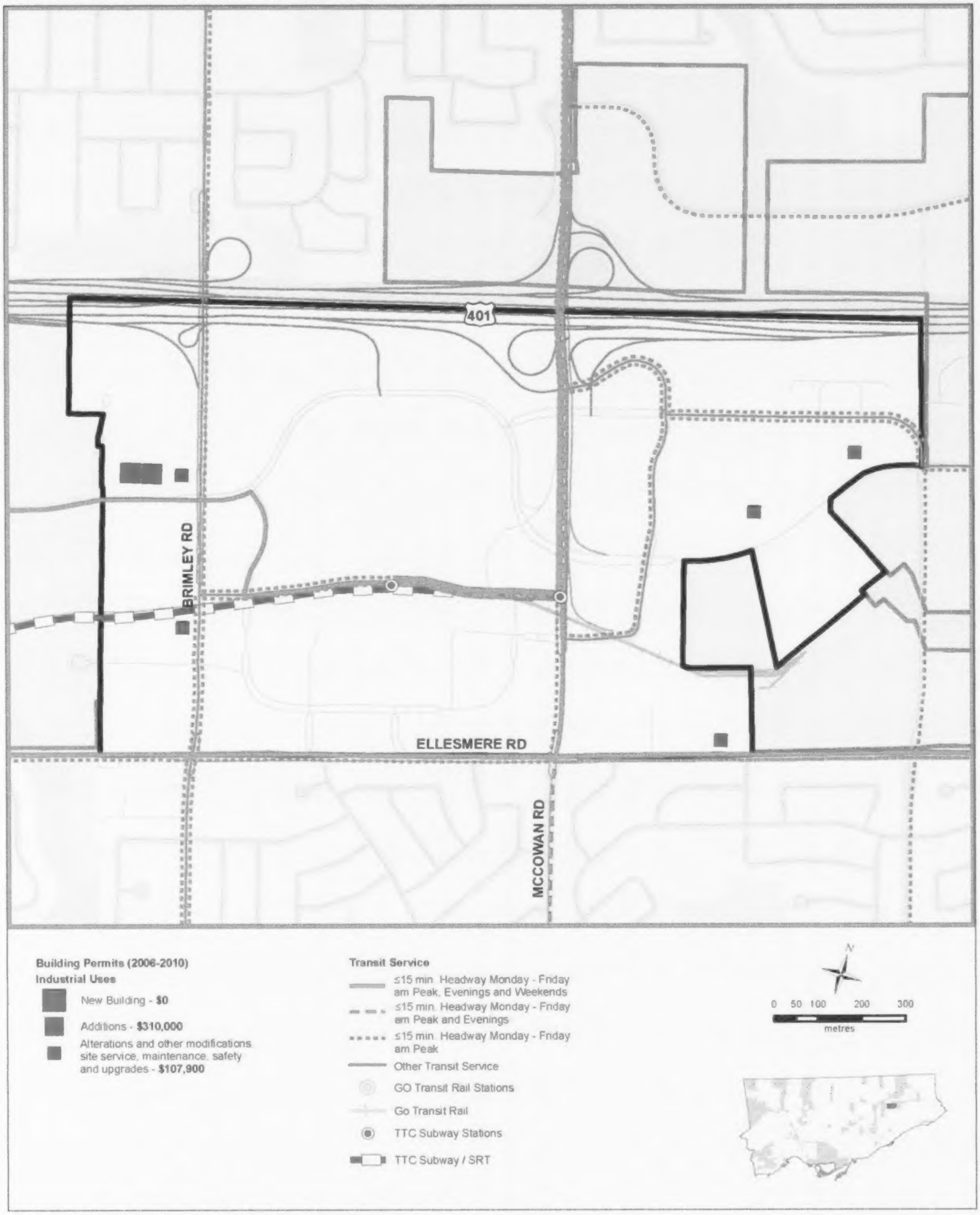
Source: City of Toronto Employment Survey, 2006 and 2011

Figure C.3.8: Extent and Character of the Scarborough Centre


401
BRIMLEY RD
ELLESMERE RD
MCCOWAN RD
Scarborough Centre
N
0 50 100 200 300
metres

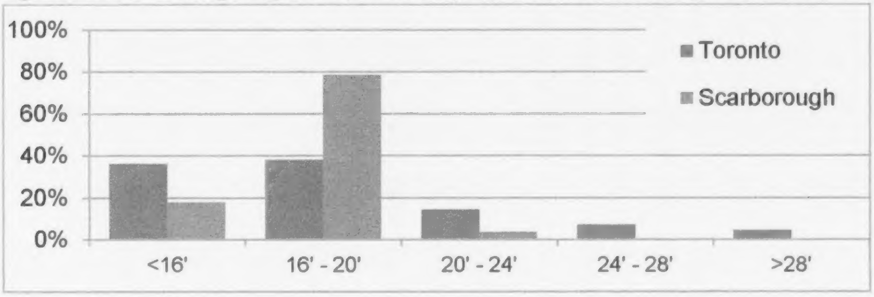
Source: 2012 Google Earth; © 2012 Digital Globe

Figure C.3.9: Industrial Re-investment and Transit Services in the Scarborough Centre


401
BRIMLEY RD
ELLESMERE RD
MCCOWAN RD
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $310,000
Alterations and other modifications site service, maintenance, safety and upgrades - $107,900
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway / SRT
N
0 50 100 200 300
metres

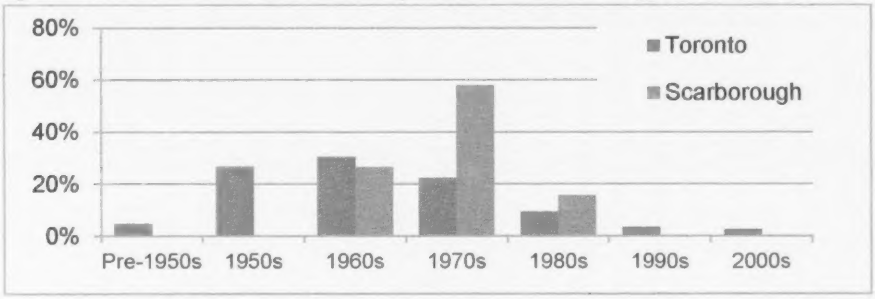
Source: City of Toronto. Toronto Transit Commission.

Figure C.3.10: Ceiling Height for Industrial Space in the Scarborough Centre, 2011



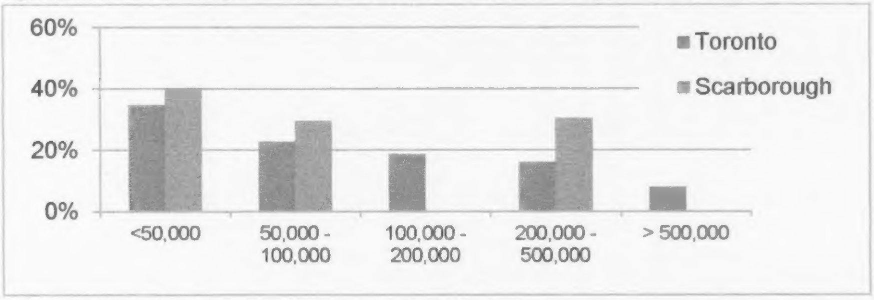
Source: C&W, 2011 Q4

Figure C.3.11: Built Year for Industrial Space in the Scarborough Centre, 2011



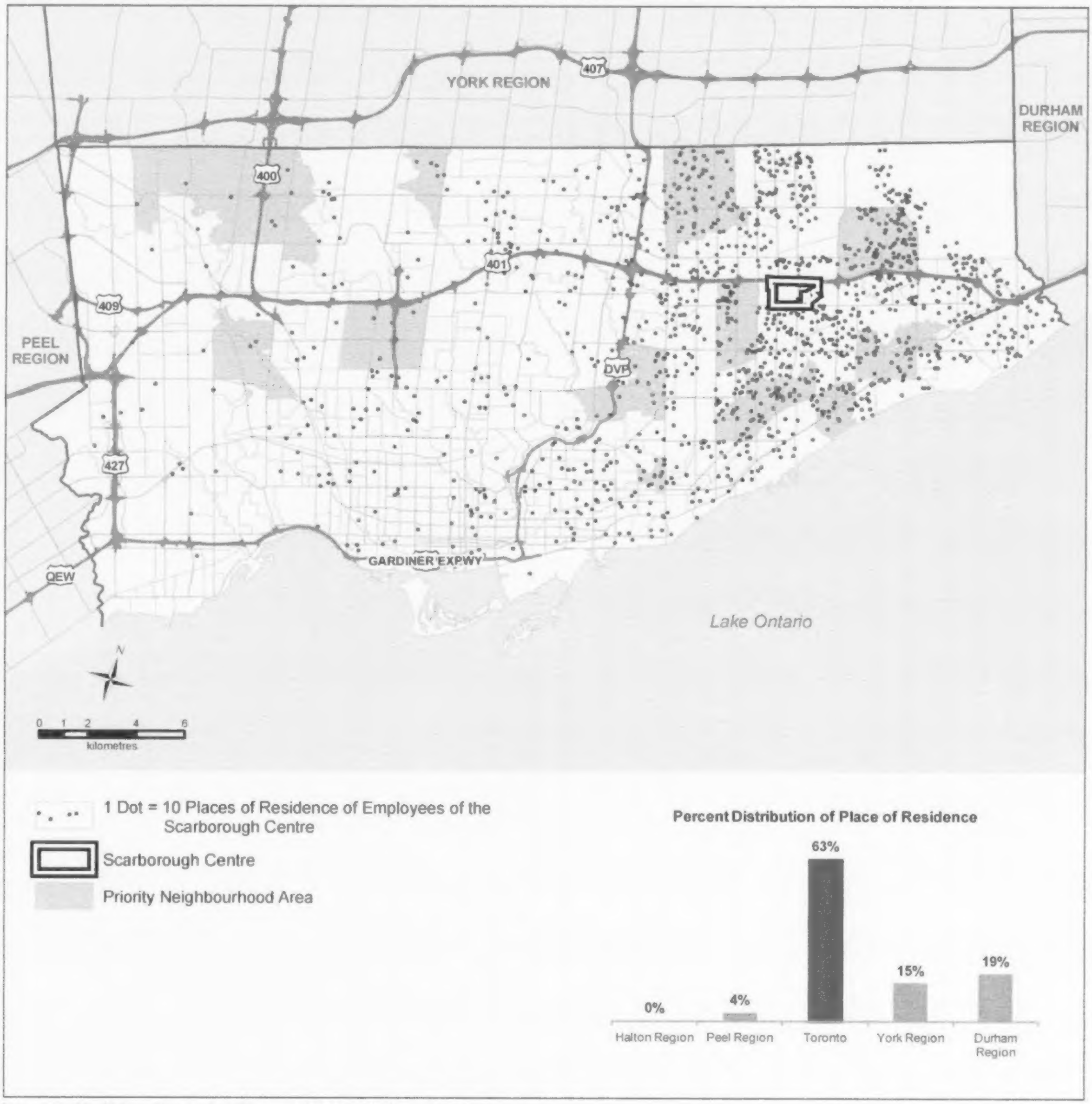
Source: C&W, 2011 Q4

Figure C.3.12: Building Size for Industrial in the Scarborough Centre, 2011



Source: C&W, 2011 Q4

Figure C.3.13: Distribution of Place of Residence for Employment in the Scarborough Centre, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Scarborough Centre
Scarborough Centre
Priority Neighbourhood Area
Percent Distribution of Place of Residence
0%
4%
63%
15%
19%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

C.4 Etobicoke Centre

Etobicoke Centre is the smallest centre in terms of employment and is located in the southwest end of Toronto. Its boundaries include Dundas St. W. to the north, Montgomery Rd. to the east, and the CN rail corridor to the south, and Shaver Ave. S to the west. In 2011, the district employed 8,837 people predominantly in the Office sector, followed by the Retail and Institutional sectors. In total, the Etobicoke Centre has approximately 699 firms.

Key Facts:

- ***The Etobicoke Centre employed 8,837 people in 2011, a 14.3% decline from 2006 but a 19.8% decline from 2001;***
- ***It supported 0.7% of the City's employment in 2011, and 0.6% of its non-residential assessment;***
- ***The Centre had $60,000 in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001-2011) only occurred in its Service (3%), sector, with a decline in Manufacturing (60%), Retail (35%), and Office (23%) employment;***
- ***New establishment growth occurred in the Service sector, with a decline in all other sectors;***
- ***The Centre has access from the Kipling Avenue, Islington Avenue and Bloor Street arterials, and is served by two TTC Subway stops and a GO Transit rail station. Both subway stations support a number of bus transit routes;***
- ***Of persons living in the GTAH, residents of Toronto hold 56% of the jobs located in the Centre.***

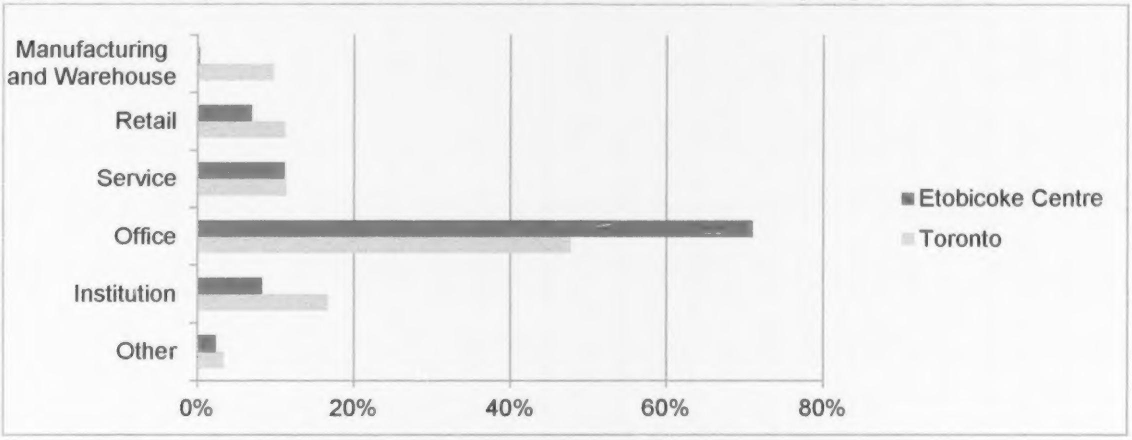
Figure C.4.1: Profile Data for the Etobicoke Centre, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	77.6	-	-
Vacant Area (Ha)	-	-	11.3	-	-
Vacant Area (% of Net)	-	-	14.6%	-	-
Employment (Total PT & FT)	11,020	10,314	8,837	-19.8%	0.7%
No. of Establishments	691	655	699	-1.2%	0.9%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	81%, 10%, 4%, 2%, 2%	82%, 10%, 3%, 3%, 3%	81%, 11%, 3%, 2%, 2%	-	-
Total Non Res. Assessment ($)	$204,608,386	-	$471,147,656	0.5x	0.6%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

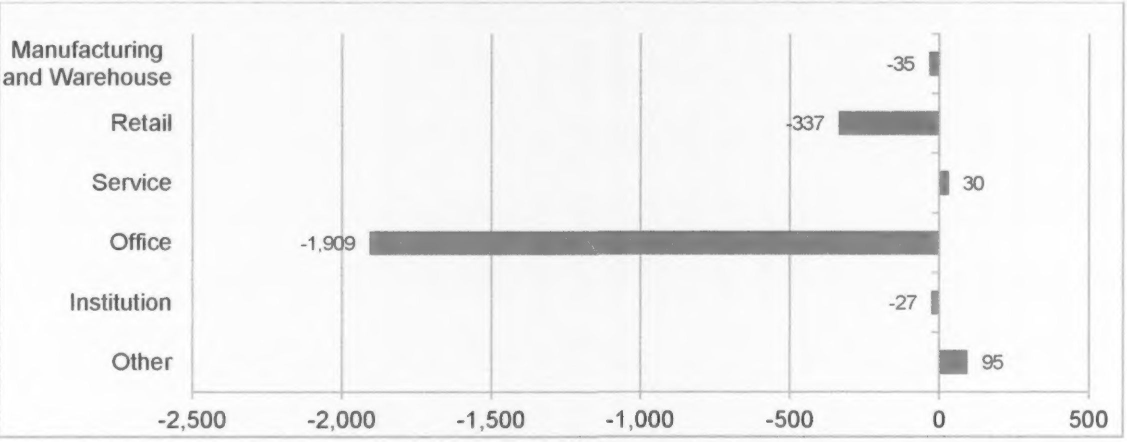
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure C.4.2: Employment Structure (% Distribution) in the Etobicoke Centre by Major Sector, 2011



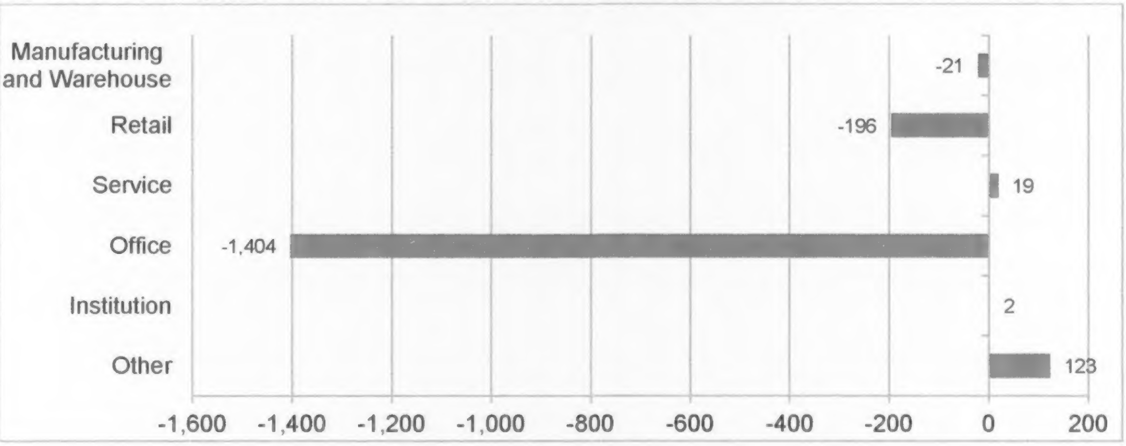
Source: City of Toronto Employment Survey, 2011

Figure C.4.3: Employment Growth in the Etobicoke Centre by Major Sector, 2001 to 2011



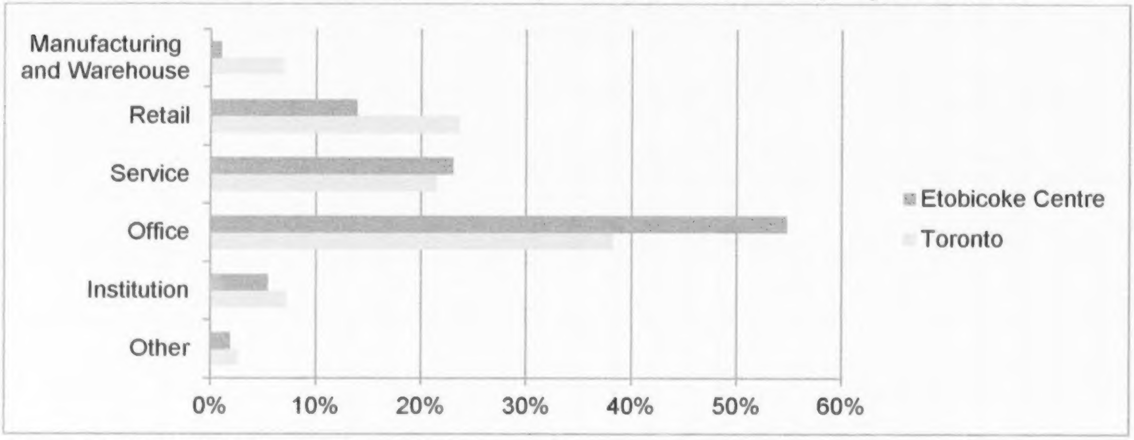
Source: City of Toronto Employment Survey, 2001 and 2011

Figure C.4.4: Employment Growth in the Etobicoke Centre by Major Sector, 2006 to 2011



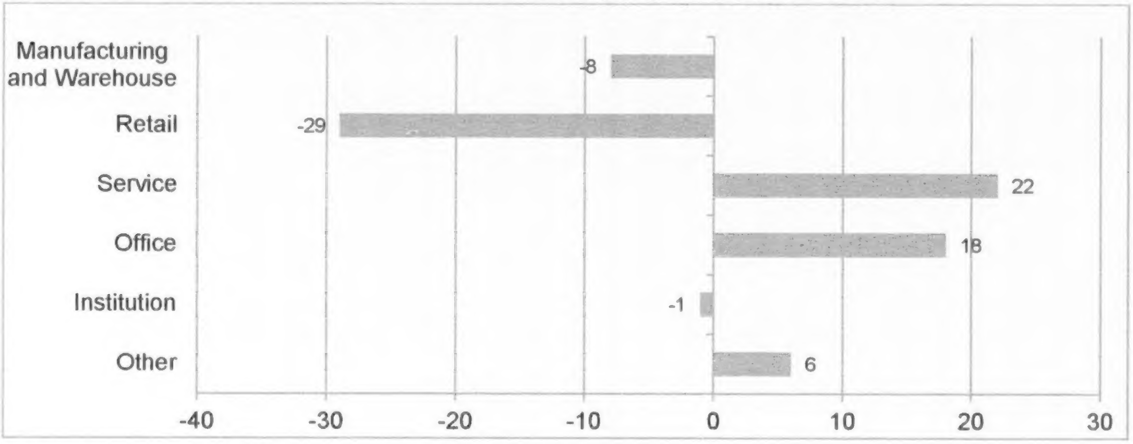
Source: City of Toronto Employment Survey, 2006 and 2011

Figure C.4.5: Establishment Structure (% Distribution) in the Etobicoke Centre by Major Sector, 2011



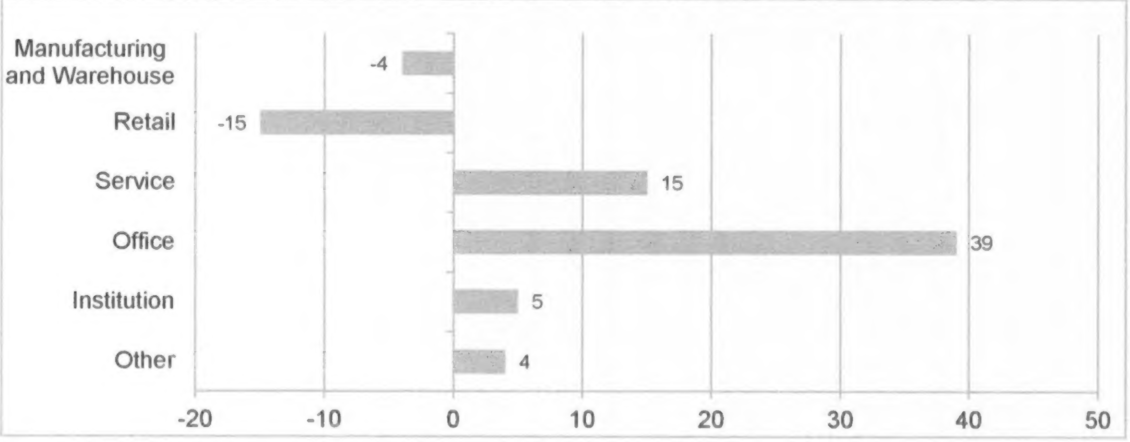
Source: City of Toronto Employment Survey, 2011

Figure C.4.6: Establishment Growth in Etobicoke Centre by Major Sector, 2001 to 2011



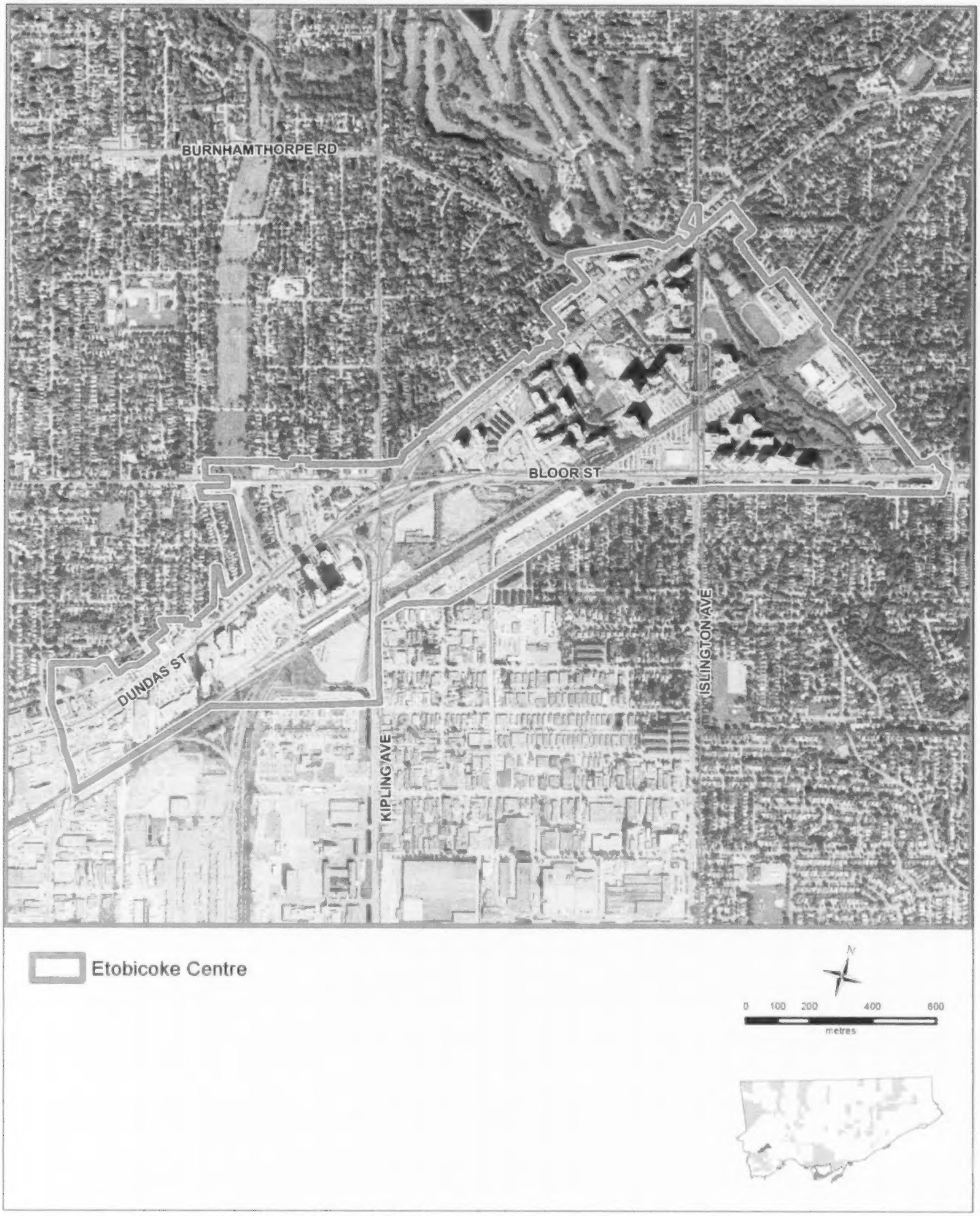
Source: City of Toronto Employment Survey, 2001 and 2011

Figure C.4.7: Establishment Growth in Etobicoke Centre by Major Sector, 2006 to 2011



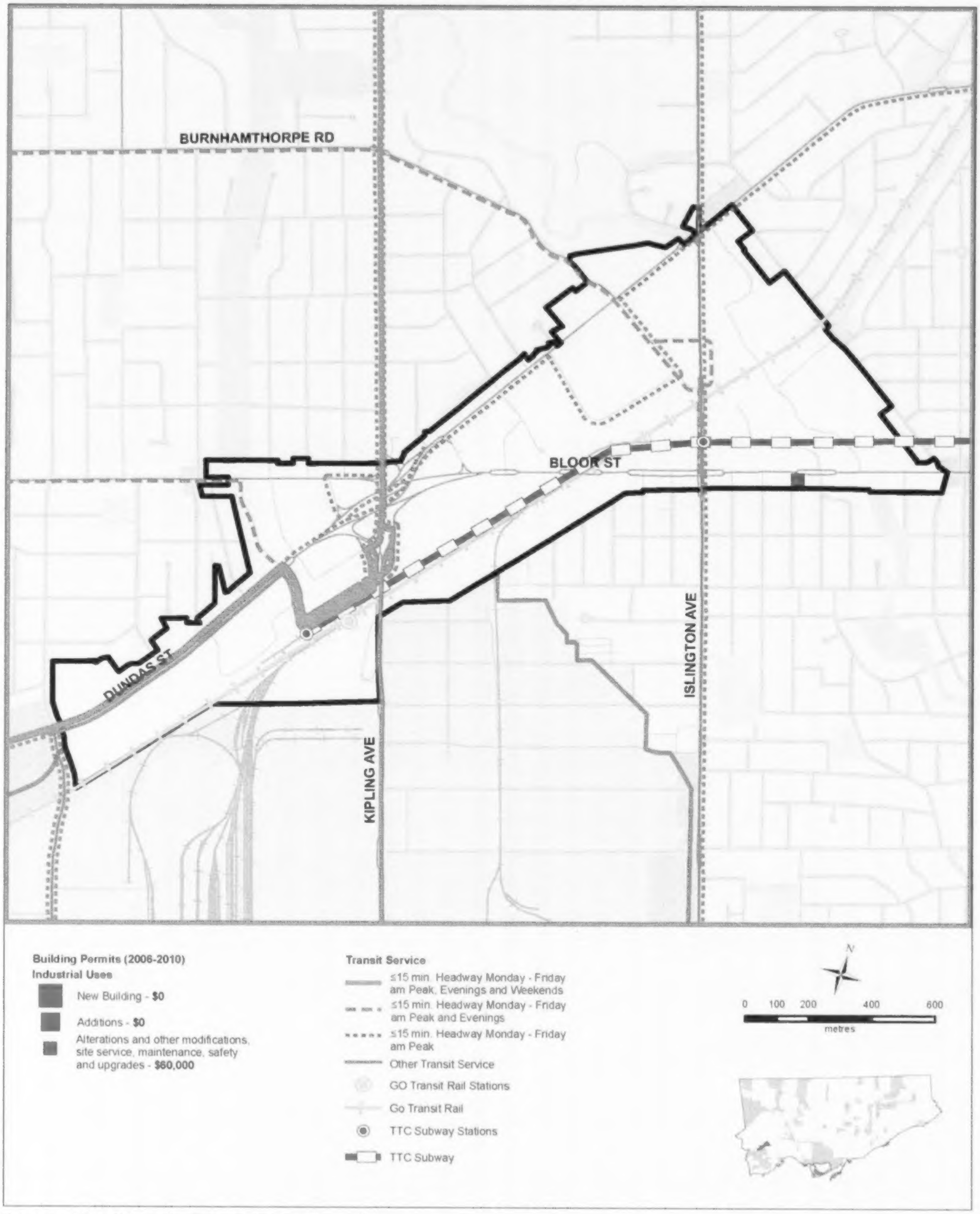
Source: City of Toronto Employment Survey, 2006 and 2011

Figure C.4.8: Extent and Character of the Etobicoke Centre


BURNHAMTHORPE RD
BLOOR ST
DUNDAS ST
KIPLING AVE
ISLINGTON AVE
Etobicoke Centre
N
0 100 200 400 600
metres

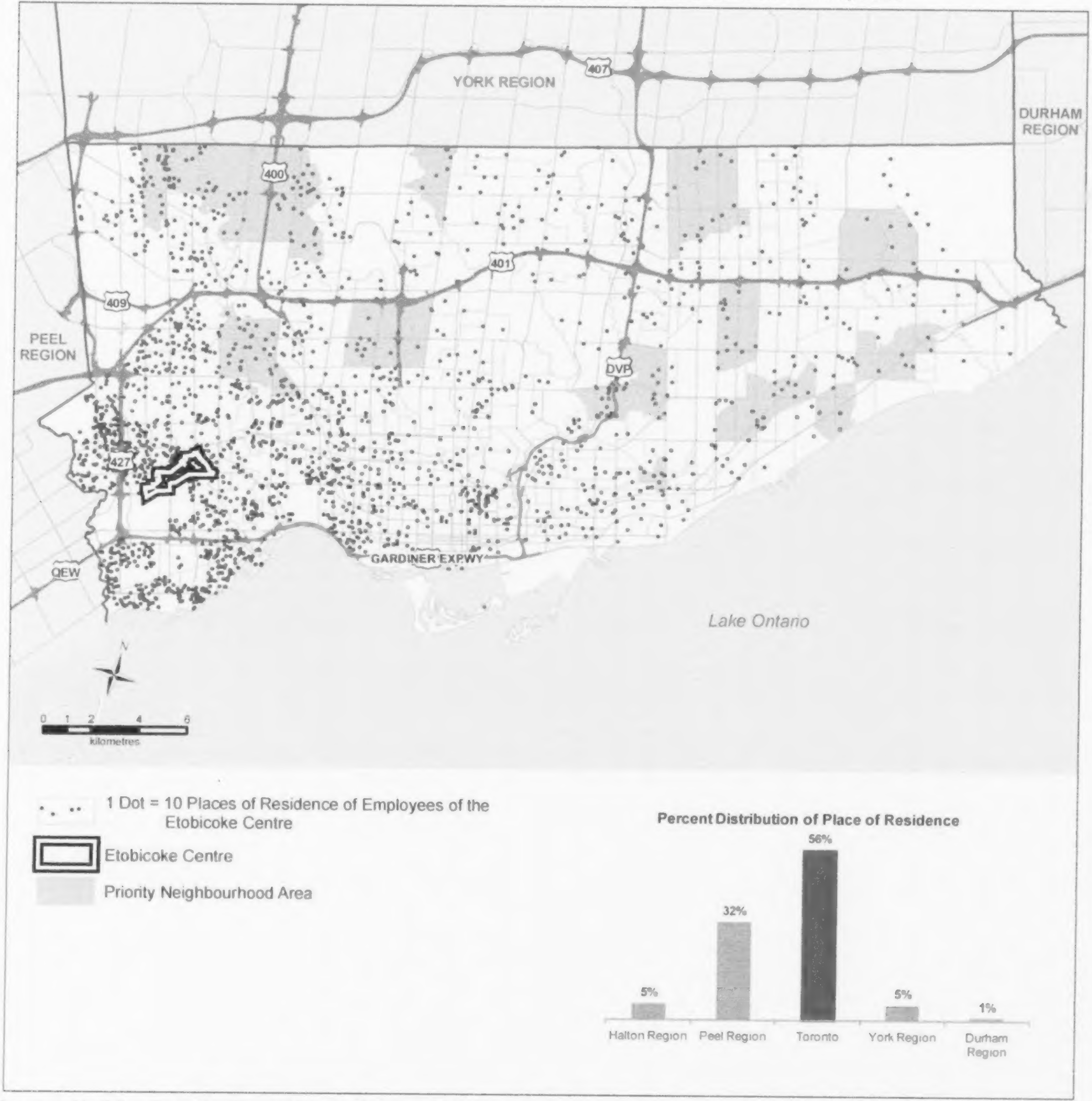
Source: 2012 Google Earth; © 2012 Digital Globe

Figure C.4.9: Industrial Re-investment and Transit Services in the Etobicoke Centre


BURNHAMTHORPE RD
BLOOR ST
DUNDAS ST
KIPLING AVE
ISLINGTON AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $60,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0
100
200
400
600
metres

Source: City of Toronto. Toronto Transit Commission.

Figure C.4.10: Distribution of Place of Residence for Employment in the Etobicoke Centre, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Etobicoke Centre
Etobicoke Centre
Priority Neighbourhood Area
Percent Distribution of Place of Residence
5%
32%
56%
5%
1%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

This Page Is Left Intentionally Blank

APPENDIX 3 D

Employment Districts – "Industrial"

Summary Profile Data for Employment Districts - Industrial, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	7,235.3	-	64.2%
Vacant Area (Ha)	-	-	624.8	-	68.0
Vacant Area (% of Net)	-	-	9.1%	-	-
Employment (Total PT & FT)	329,302	317,445	296,943	-9.8%	22.5%
No. of Establishments	14,908	15,825	17,014	14.1%	22.7%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	69%, 15%, 7%, 5%, 4%	71%, 15%, 7%, 4%, 4%	74%, 13%, 6%, 3%, 3%	-	-
Industrial Inventory (sq.ft.)	-	-	214,191,425	-	79.%
Office Space (Net Rentable Area, sq.ft.)	9,301,308	9,853,106	9,989,623	7.4%	7.4%
Unoccupied Office Space	6.1%	11.4%	15.8%	-	-
Office Rental Rate (Gross $/sq.ft.)	-	-	$24.80	-	-
Total Non Res. Assessment ($)	$6,924,274,315	-	$18,016,165,363	1.0x	22.3%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

This Page Is Left Intentionally Blank

D.1 North West Etobicoke Employment District

The North West Etobicoke Employment District is located along the northwest border of Toronto, and is bounded by a Hydro right of way east of Hwy. 27 on the east, Hwy. 427 to the west, Steeles Ave. to the north, and Finch Ave. to the south. Employment is now based predominantly in the Manufacturing and Warehousing and Office sectors.

Key Facts:

- ***The North West Etobicoke District employed 12,767 people in 2011, a 7.3% decline from 2006 and a 5.9% decline from 2001;***
- ***It supported 1% of the City's employment in 2011, and 1.22% of its non-residential assessment;***
- ***The District had $13.9 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Institutional (85%) and Office (58%) sectors, with a 23% decline in its Manufacturing employment and 21% decline in Retail employment;***
- ***In contrast new establishment growth was concentrated in the Manufacturing and Warehouse sector, with a decline in new Office establishments.***
- ***With a net occupied land base of 328.3 ha, there is 13.6 million sq. ft. of industrial building space with a vacancy rate of 8.2% in 2011;***
- ***Most built industrial space dates to the 1970's, concentrated in buildings with clear ceiling heights in the 16 to 24 foot range;***
- ***This District has the greatest proportion of its industrial inventory with a ceiling clear height exceeding 24'. This category accounts for almost 28% of the inventory, compared to an average of 11.6% City-wide.***
- ***This Employment District is among the top five across the City of Toronto in terms of the proportion of its industrial inventory constructed since 1980. This category accounts for almost 31% of the inventory, compared to an average of 15% City-wide.***
- ***The District has access from Hwys 427 and 407, Hwy 27, Steeles and Finch Avenues, and Albion Road. It is served by a combination of edge arterial and internal bus transit routes;***
- ***Of persons living in the GTAH, residents of Toronto hold 46% of the jobs located in the District.***

Figure D.1.1: Profile Data for the North West Etobicoke Employment District, 2001, 2006 and 2011

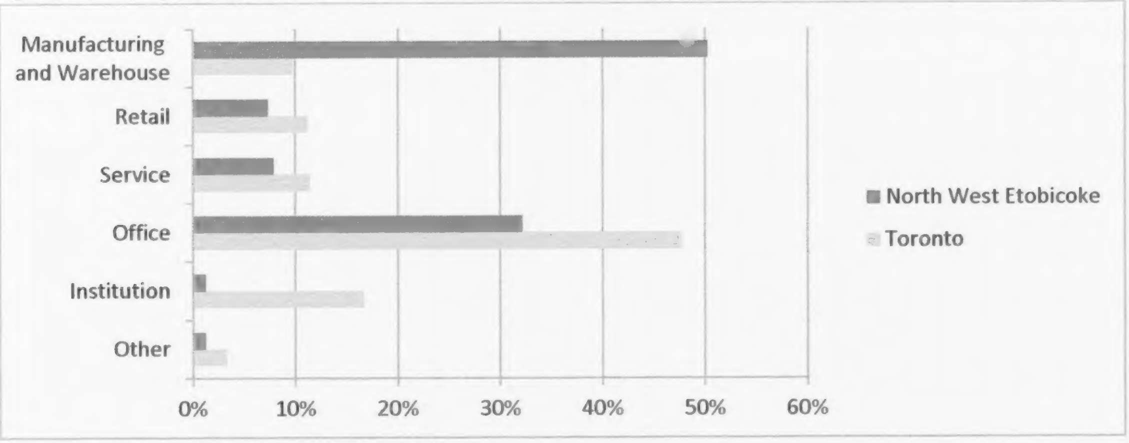
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	370.6	-	3.3%
Vacant Area (Ha)	-	-	42.3	-	4.6%
Vacant Area (% of Net)	-	-	11.4%	-	-
Employment (Total PT & FT)	13,572	13,772	12,767	-5.9%	1.0%
No. of Establishments	656	716	788	20.1%	1.0%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	67%, 16%, 8%, 4%, 4%	68%, 17%, 7%, 3%, 4%	72%, 15%, 6%, 4%, 3%	-	-
Industrial Inventory (sq ft)	-	-	13,633,183	-	5.1%
Industrial Vacancy Rate	-	-	8.2%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.34	-	-
Total Non Res. Assessment	$393,344,726	-	$977,860,030	0.6x	1.2%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

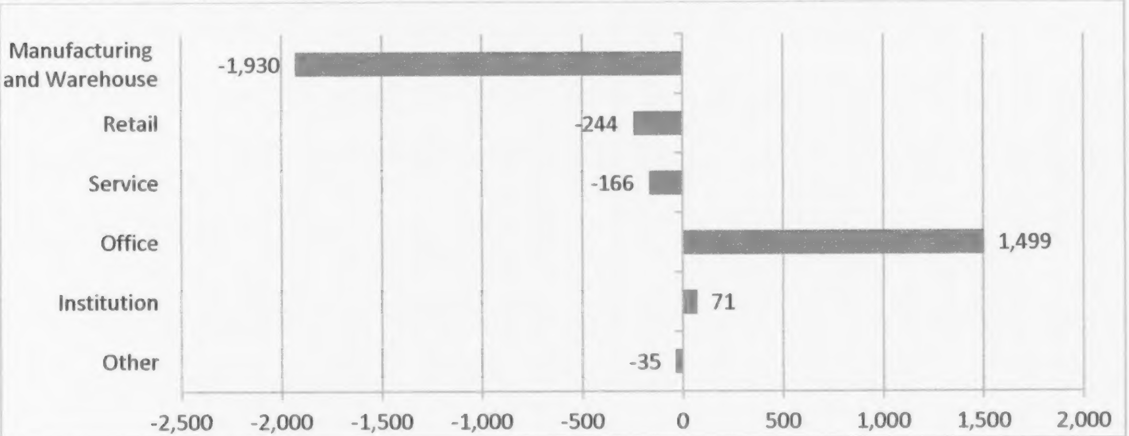
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.1.2: Employment Structure (% Distribution) in North West Etobicoke by Major Sector, 2011



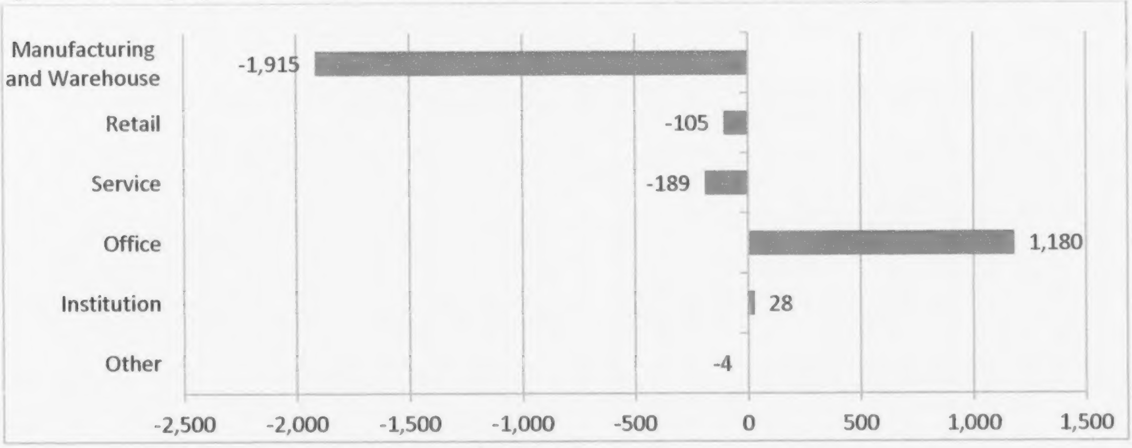
Source: City of Toronto Employment Survey, 2011

Figure D.1.3: Employment Growth in North West Etobicoke by Major Sector, 2001 to 2011



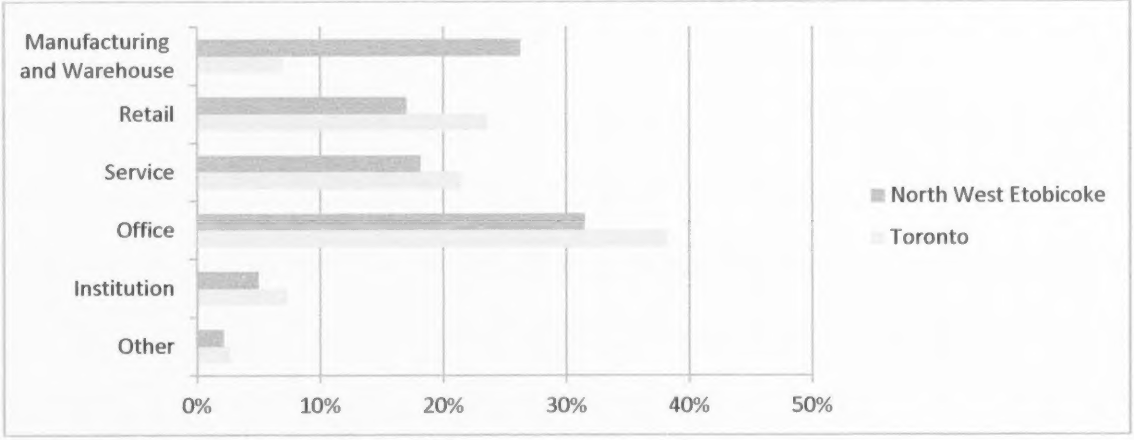
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.1.4: Employment Growth in North West Etobicoke by Major Sector, 2006 to 2011



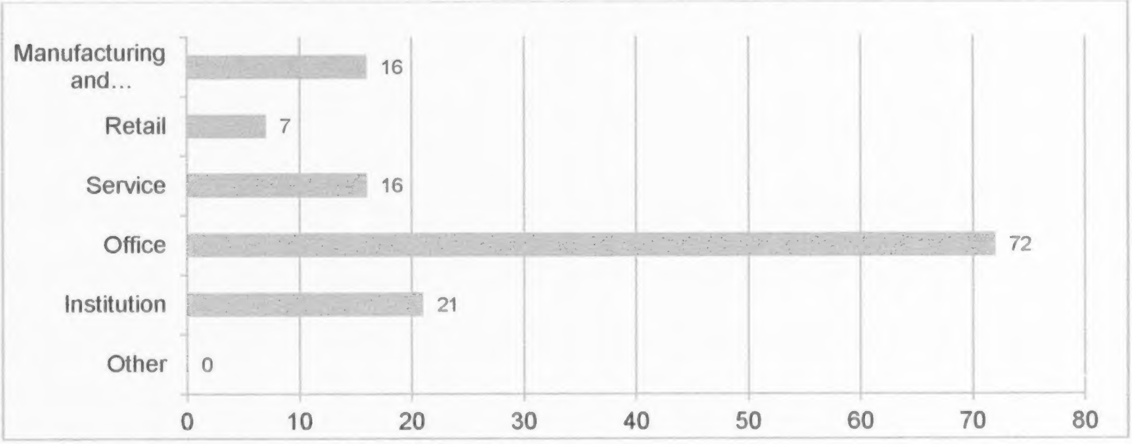
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.1.5: Establishment Structure (% Distribution)in North West Etobicoke by Major Sector, 2011



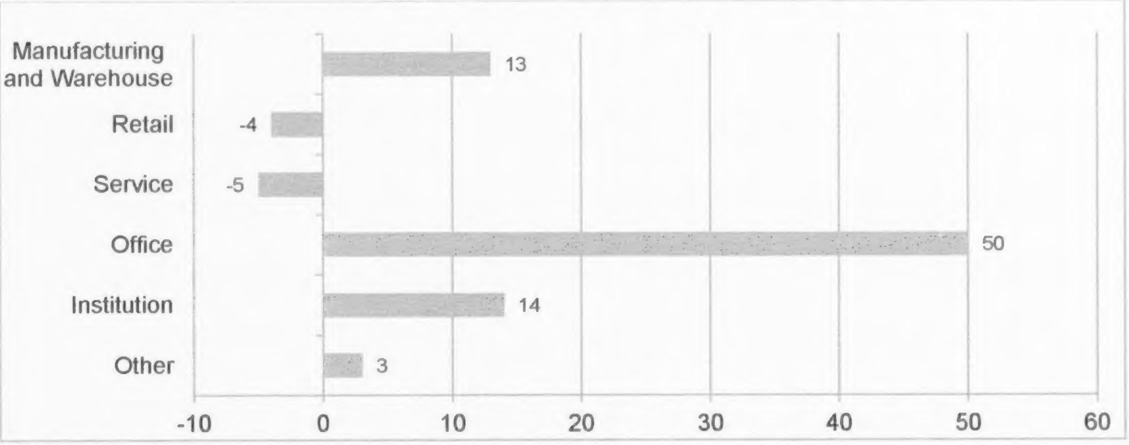
Source: City of Toronto Employment Survey, 2011

Figure D.1.6: Establishment Growth in North West Etobicoke by Major Sector, 2001 to 2011



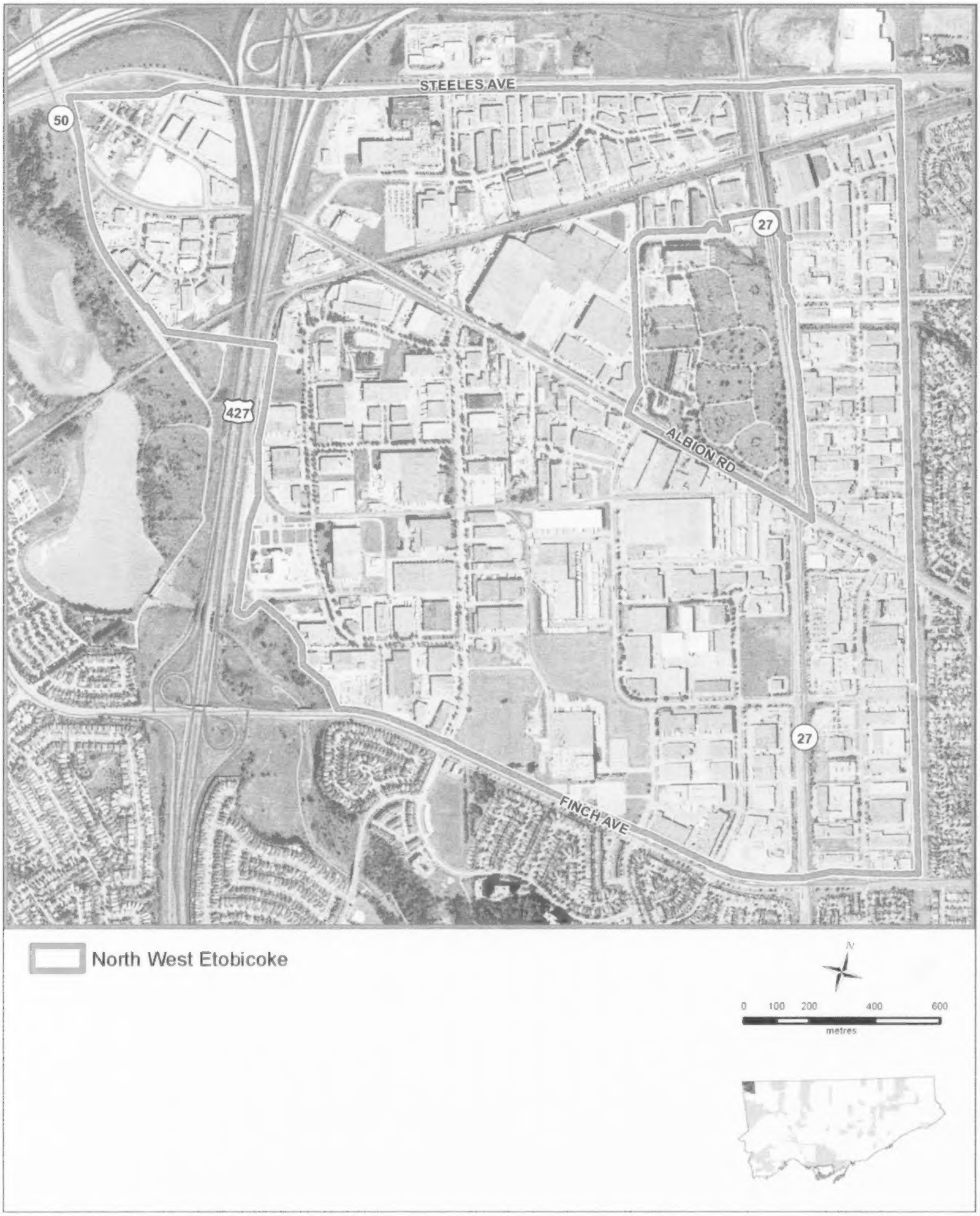
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.1.7: Establishment Growth in North West Etobicoke by Major Sector, 2006 to 2011



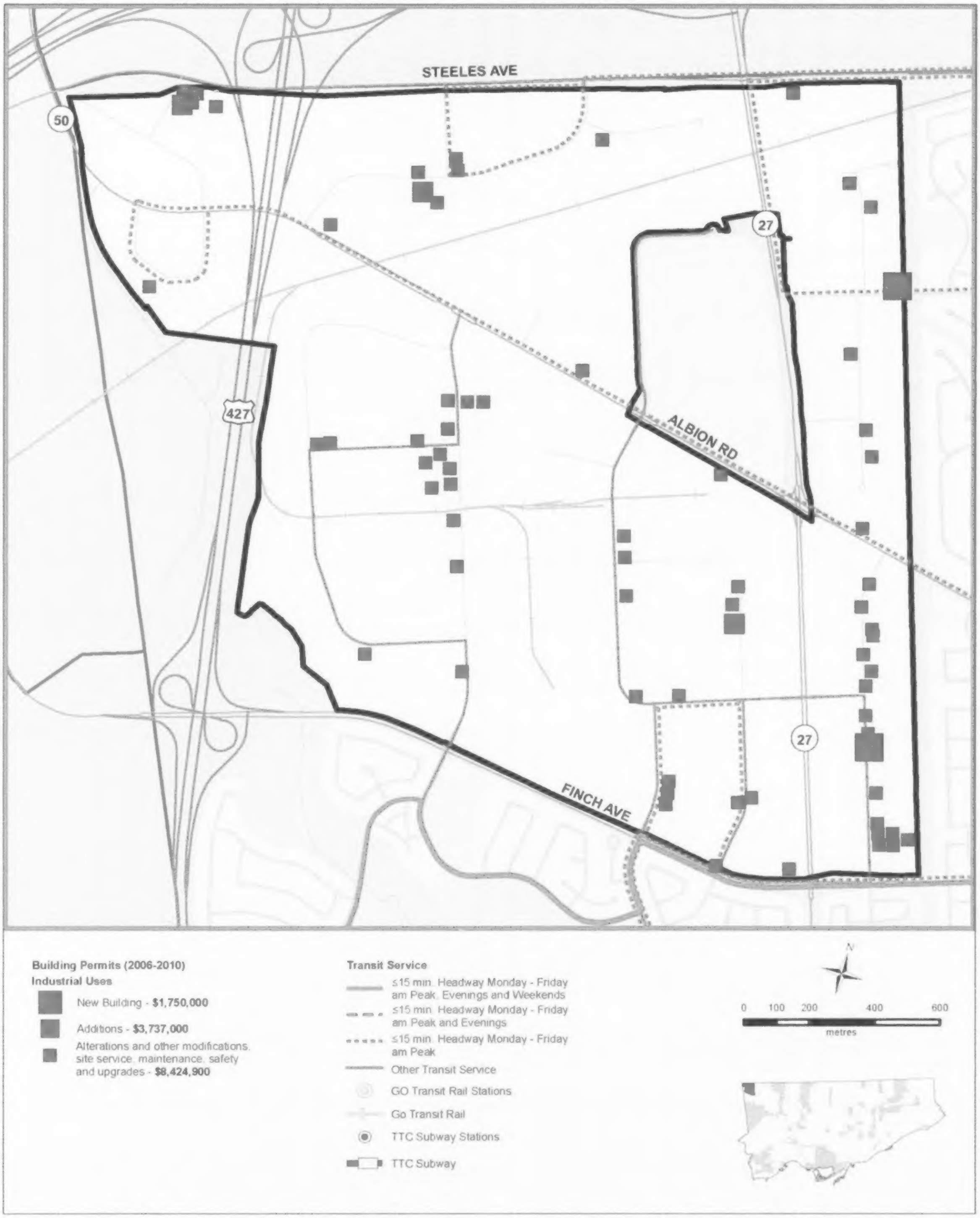
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.1.8: Extent and Character of North West Etobicoke District


STEELES AVE
50
27
427
ALBION RD
27
FINCH AVE
North West Etobicoke
N
0
100
200
400
600
metres

Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.1.9: Industrial Re-investment and Transit Services in the North West Etobicoke District, 2006-2010


STEELES AVE
50
427
27
ALBION RD
27
FINCH AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $1,750,000
Additions - $3,737,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $8,424,900
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 100 200 400 600
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.1.10: Ceiling Height for Industrial Space in North West Etobicoke, 2011

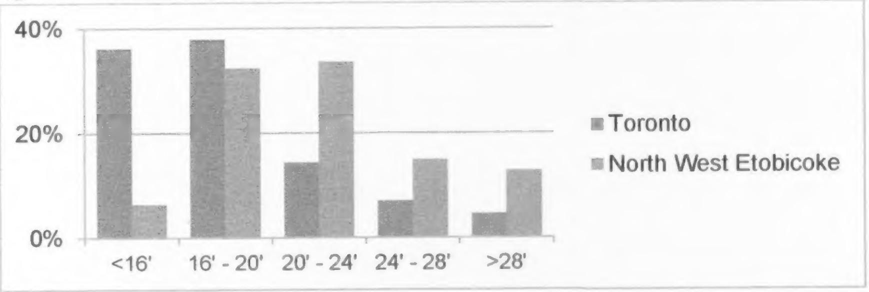


Figure D.1.11: Built Year for Industrial Space in North West Etobicoke, 2011

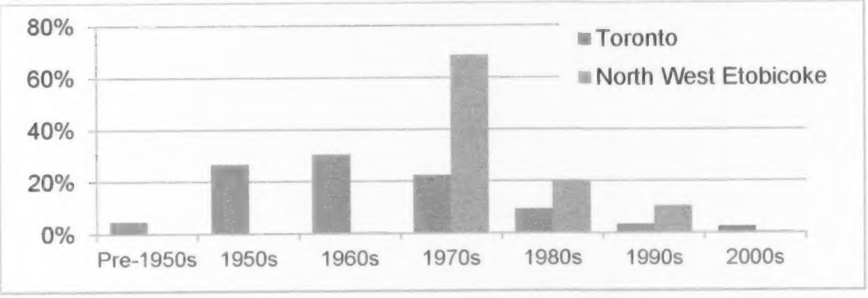


Figure D.1.12: Building Size for Industrial Space in North West Etobicoke, 2011

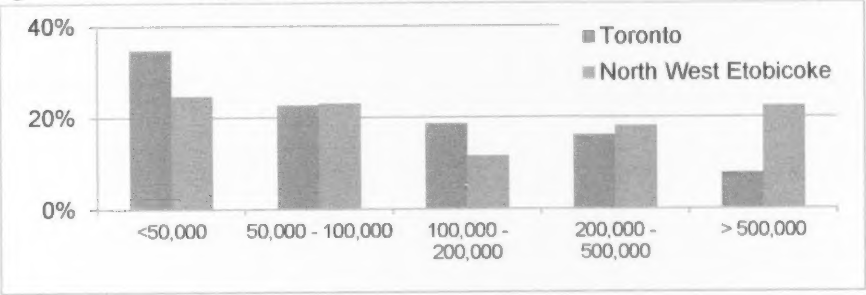
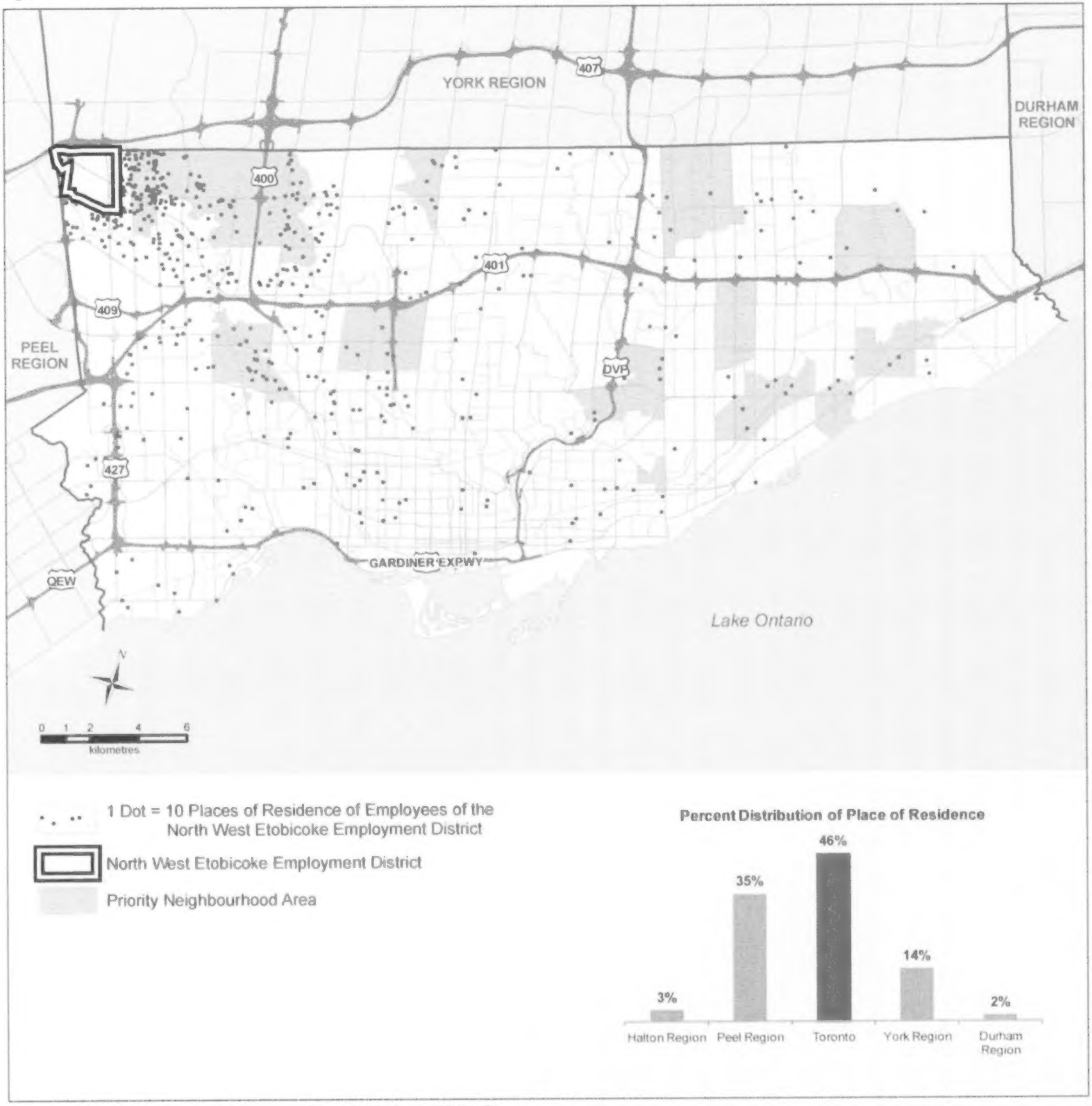


Figure D.1.13: Distribution of Place of Residence for Employment in North West Etobicoke District


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the North West Etobicoke Employment District
North West Etobicoke Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
3%
35%
46%
14%
2%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: *Statistics Canada, Place of Work Status – 2006 Census.*

D.2 Rexdale Employment District

The Rexdale Employment District is the City's largest district in extent and the second largest in employment. It is located in the west area of Toronto, bound by Hwy 427 to the west and the 401 to the east, and generally Rexdale Blvd to the northeast. In 2011, the district employed 38,849 people, predominantly in the Manufacturing and Warehousing, and Office sectors. It is home to the Woodbine Racetrack complex in its northwest corner.

Key Facts:

- *The Rexdale District employed 38,849 people in 2011, a 19.1% decline from 2006 and a 26.6% decline from 2001;*
- *It supported 3% of the City's employment in 2011, and 3.41% of its non-residential assessment;*
- *The District had $70.5 million in industrial building permit values between 2006 and 2010;*
- *Employment losses (2001 – 2011) occurred across all sectors other than Institutional (3.9%. The largest losses were seen in Office (35.5%), Manufacturing and Warehouse (23.8%), and Service (21.1) employment sectors;*
- *New establishment growth was concentrated in the Manufacturing, Retail and Service sectors;*
- *With a net occupied land base of 1,177.6 ha, there is 32 million sq. ft. of industrial building space with an average vacancy rate of 8.2% in 2011;*
- *This Employment District is the second largest in terms of total industrial inventory (in square footage terms). It accounts for approximately 11.5% of the City of Toronto's total industrial inventory.*
- *Most built industrial space dates to the 1960's, concentrated in buildings with clear ceiling heights in the 16 to 20 foot range;*
- *The District has access from Hwys 401, 427, 409 and 27 and a number of arterial roads including Kipling Avenue, Dixon Road and Rexdale Boulevard. It is served by one GO Rail stop and a number of bus transit routes;*
- *Of persons living in the GTAH, residents of Toronto hold 49% of the jobs located in the District.*

Figure D.2.1: Profile Data for the Rexdale Employment District, 2001, 2006 and 2011

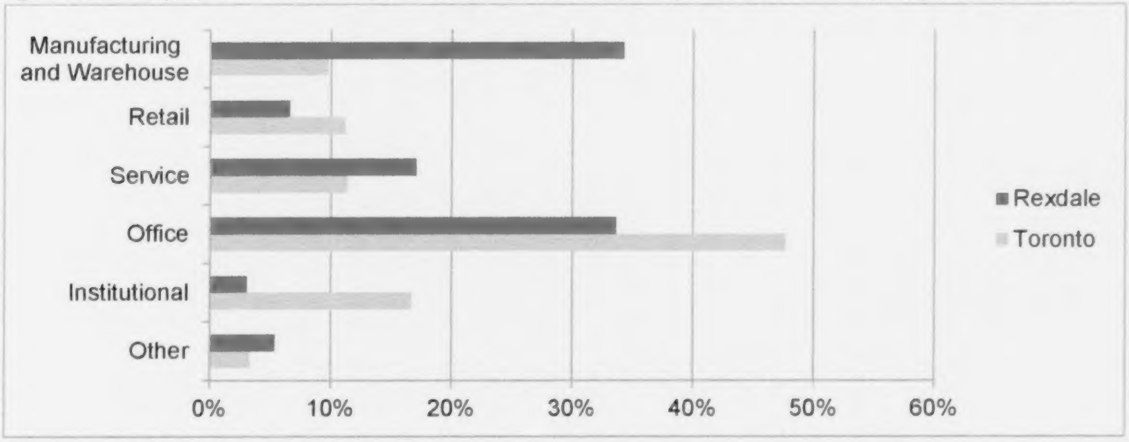
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	1,244.5	-	11.03%
Vacant Area (Ha)	-	-	66.9	-	7.3%
Vacant Area (% of Net)	-	-	5.4%	-	-
Employment (Total PT & FT)	52,929	48,026	38,849	-26.6%	2.9%
No. of Establishments	1,461	1,400	1,386	-5.1%	1.8%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	56%, 20%, 11%, 7%, 7%	58%, 18%, 11%, 7%, 6%	59%, 19%, 10%, 6%, 6%	-	-
Industrial Inventory (sq ft)	-	-	31,725,962	-	11.8%
Industrial Vacancy Rate	-	-	8.2%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.34	-	-
Total Non Res. Assessment	$1,242,492,658	-	$2,738,281,079	0.5x	3.4%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

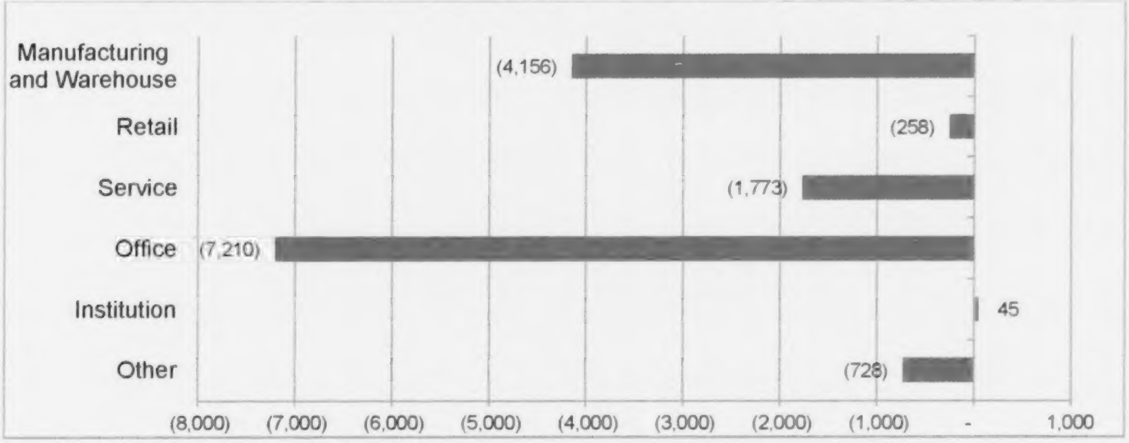
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.2.2: Employment Structure (% Distribution) in Rexdale Employment District by Major Sector, 2011



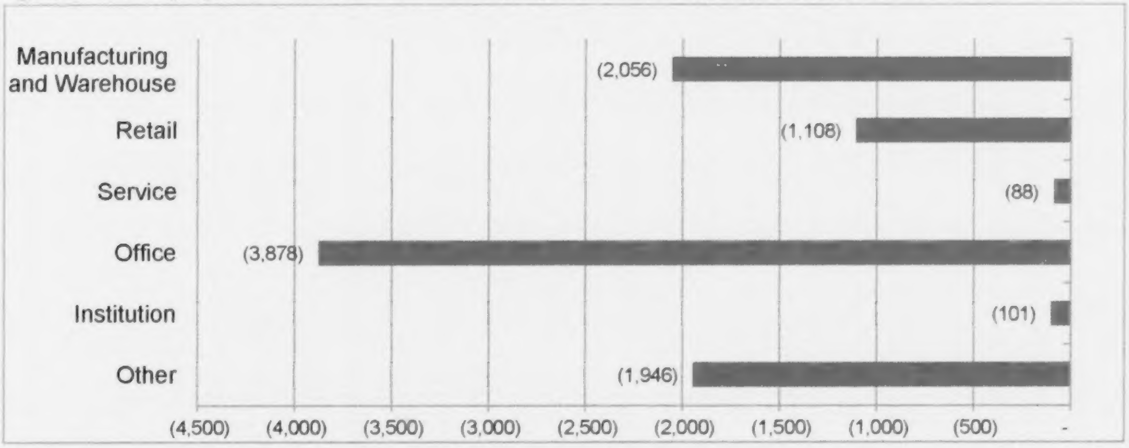
Source: City of Toronto Employment Survey, 2011

Figure D.2.3: Employment Growth in Rexdale Employment District by Major Sector, 2001 to 2011



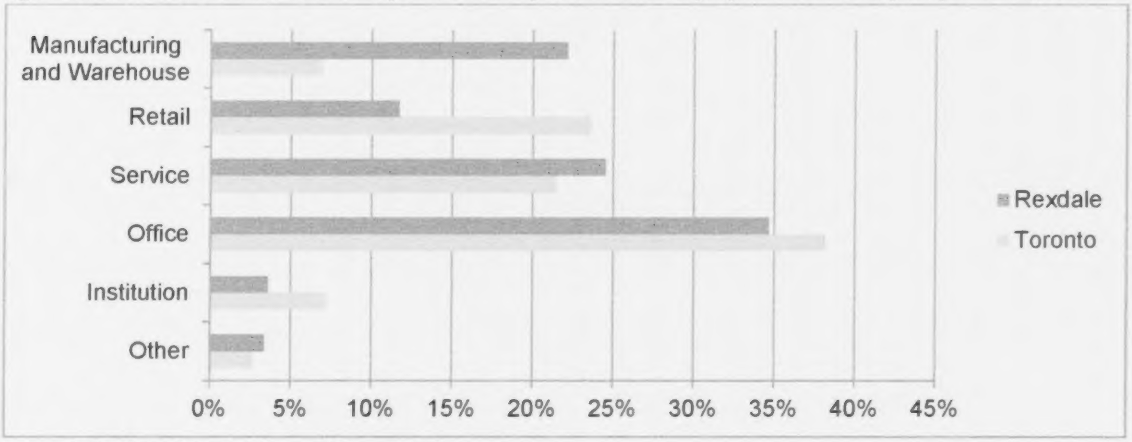
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.2.4: Employment Growth in Rexdale Employment District by Major Sector, 2006 to 2011



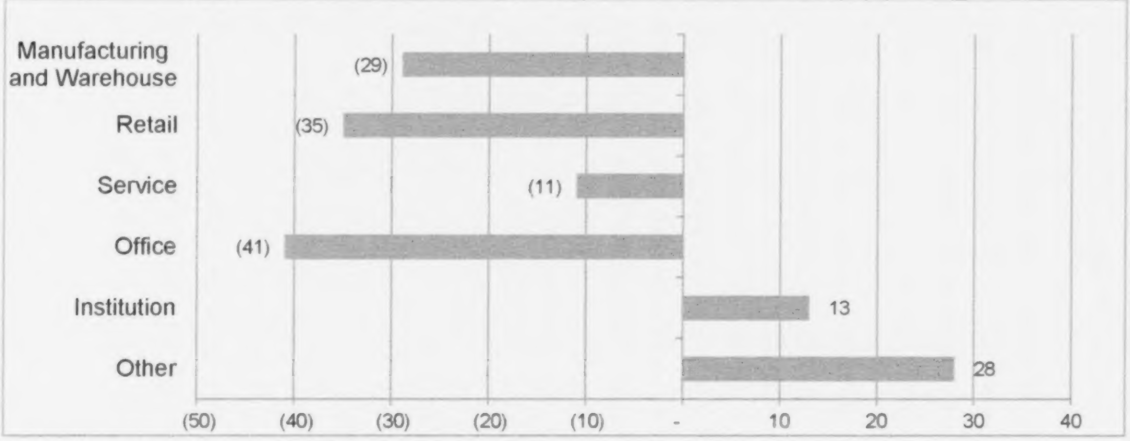
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.2.5: Establishment Structure (% Distribution) in Rexdale Employment District by Major Sector, 2011



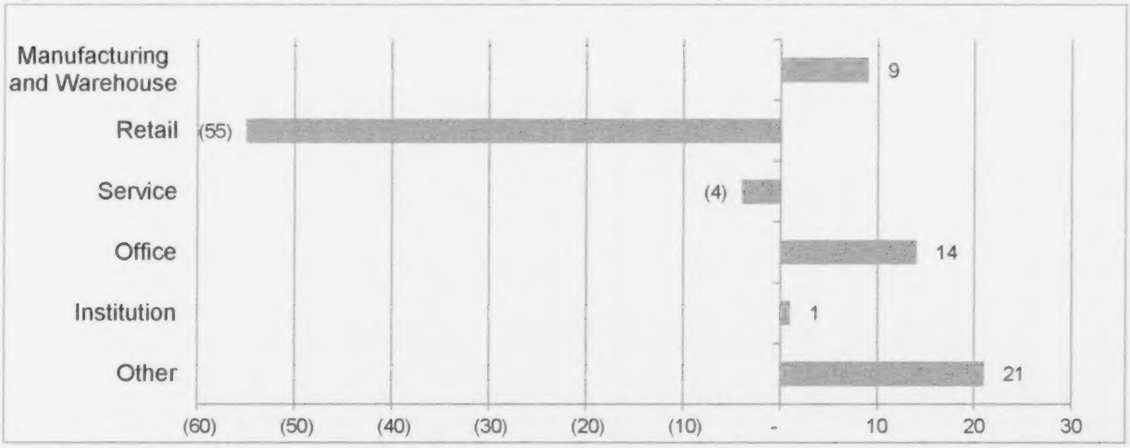
Source: City of Toronto Employment Survey, 2011

Figure D.2.6: Establishment Growth in Rexdale Employment District by Major Sector, 2001 to 2011



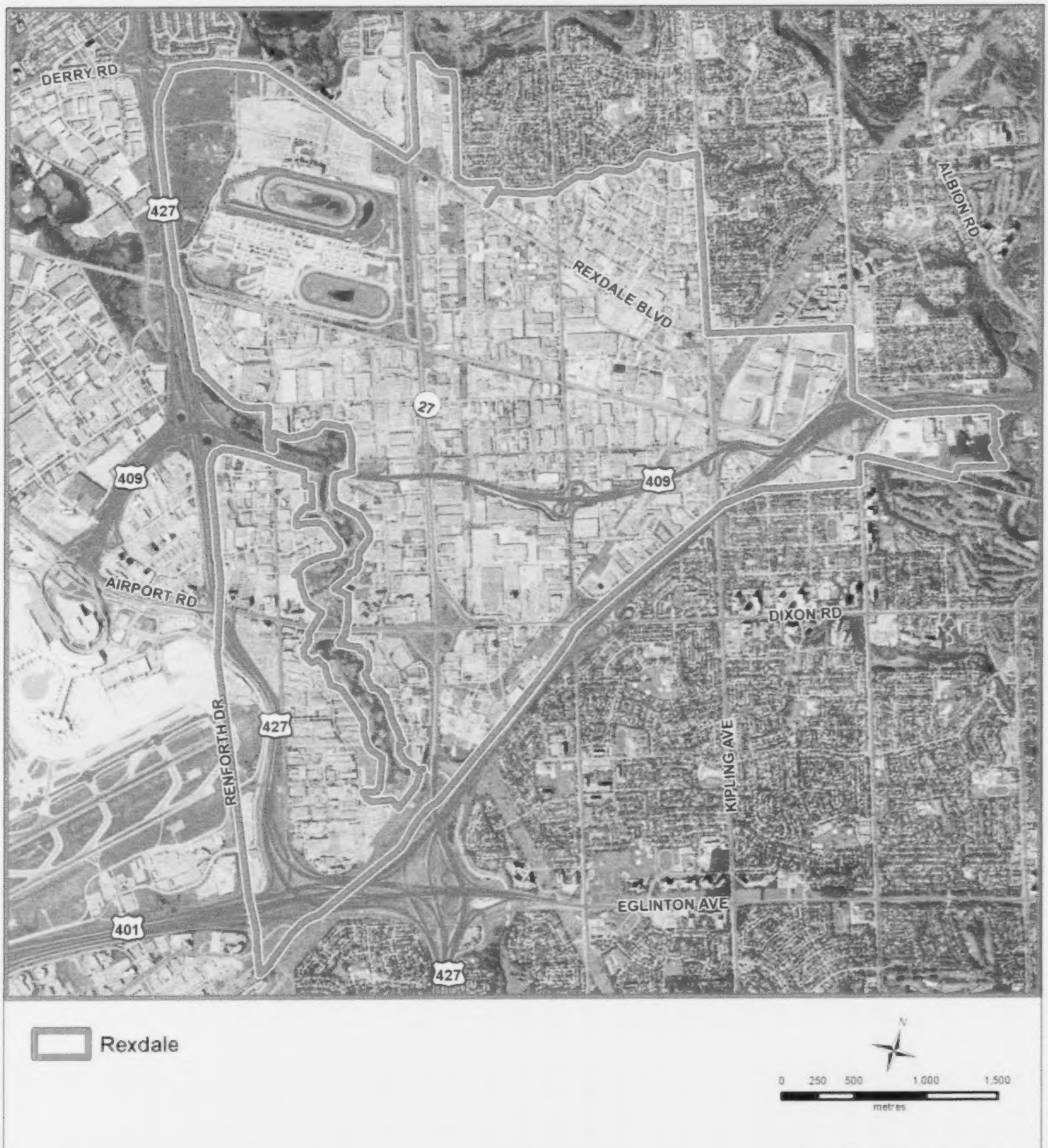
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.2.7: Establishment Growth in Rexdale Employment District by Major Sector, 2006 to 2011



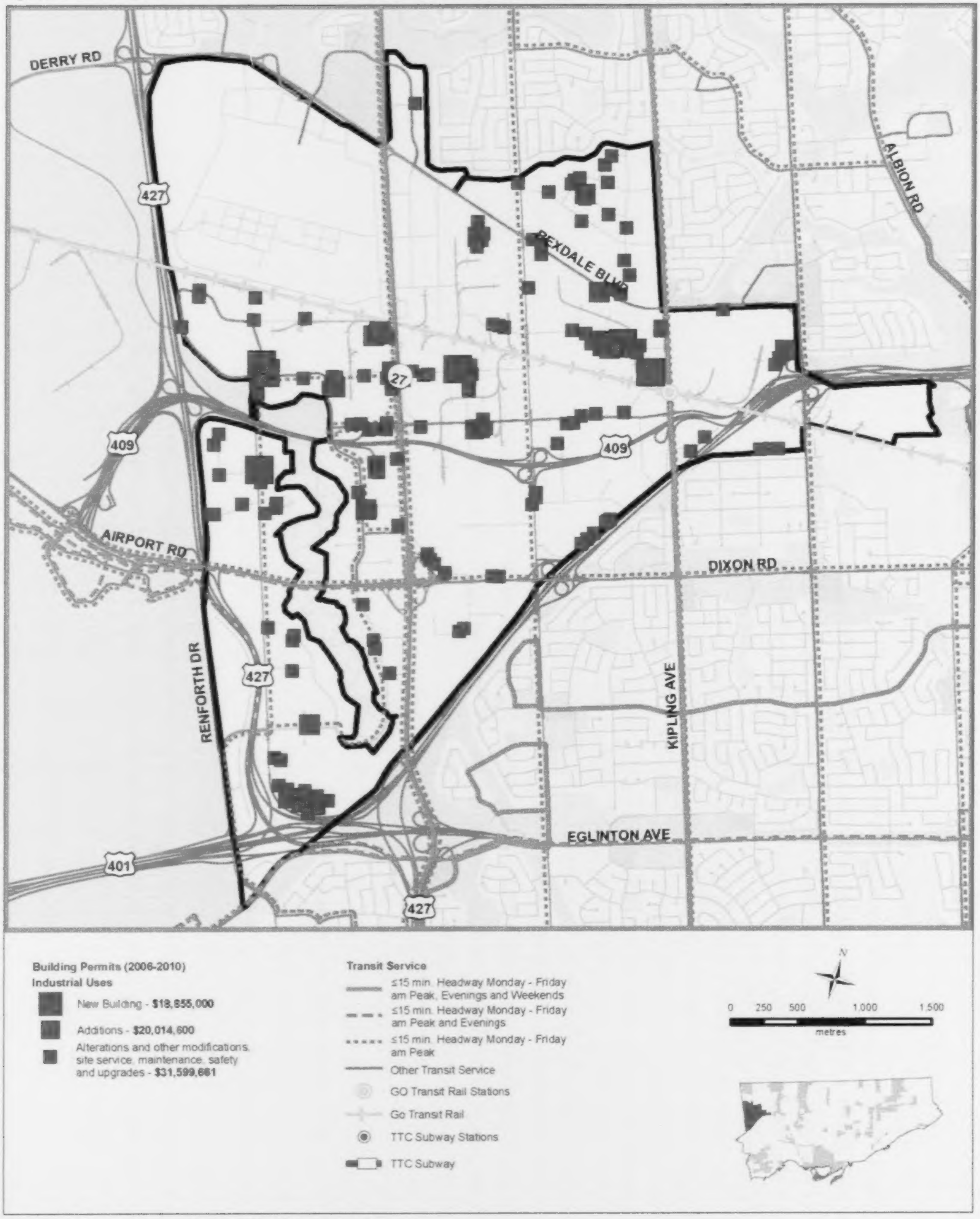
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.2.8: Extent and Character of the Rexdale Employment District


DERRY RD
427
REXDALE BLVD
ALBION RD
27
409
409
AIRPORT RD
DIXON RD
RENFORTH DR
427
KIPLING AVE
EGLINTON AVE
401
427
Rexdale
N
0 250 500 1,000 1,500
metres

Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.2.9: Industrial Re-investment and Transit Services in the Rexdale Employment District


DERRY RD
427
REXDALE BLVD
ALBION RD
27
409
409
AIRPORT RD
DIXON RD
RENFORTH DR
427
KIPLING AVE
EGLINTON AVE
401
427
Building Permits (2006-2010)
Industrial Uses
New Building - $18,855,000
Additions - $20,014,600
Alterations and other modifications, site service, maintenance, safety and upgrades - $31,599,681
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 250 500 1,000 1,500
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.2.10: Average Ceiling Height for Industrial Space in the Rexdale Employment District, 2011

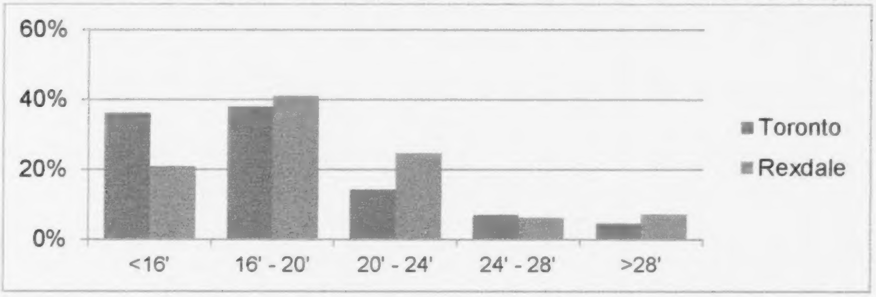


Figure D.2.11: Built Year for Industrial Space in the Rexdale Employment District, 2011

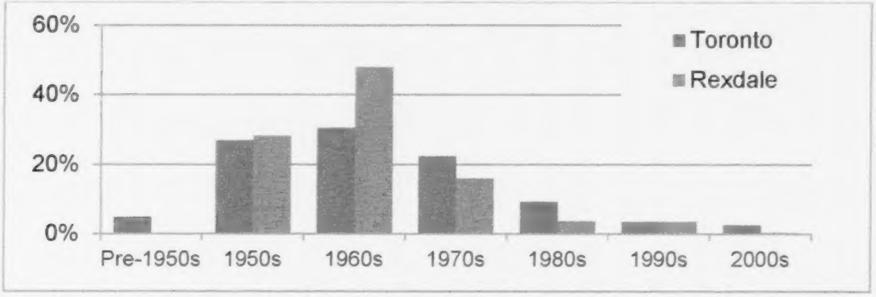
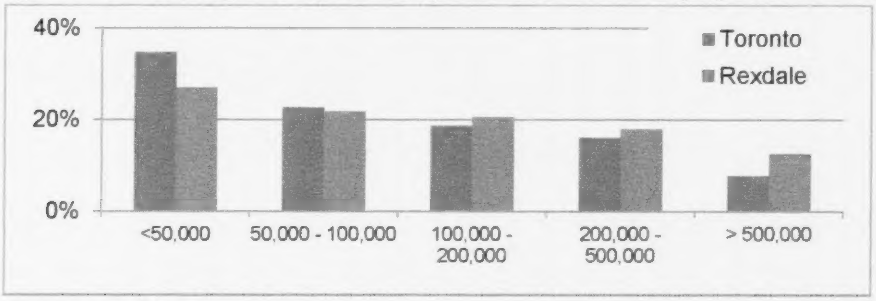
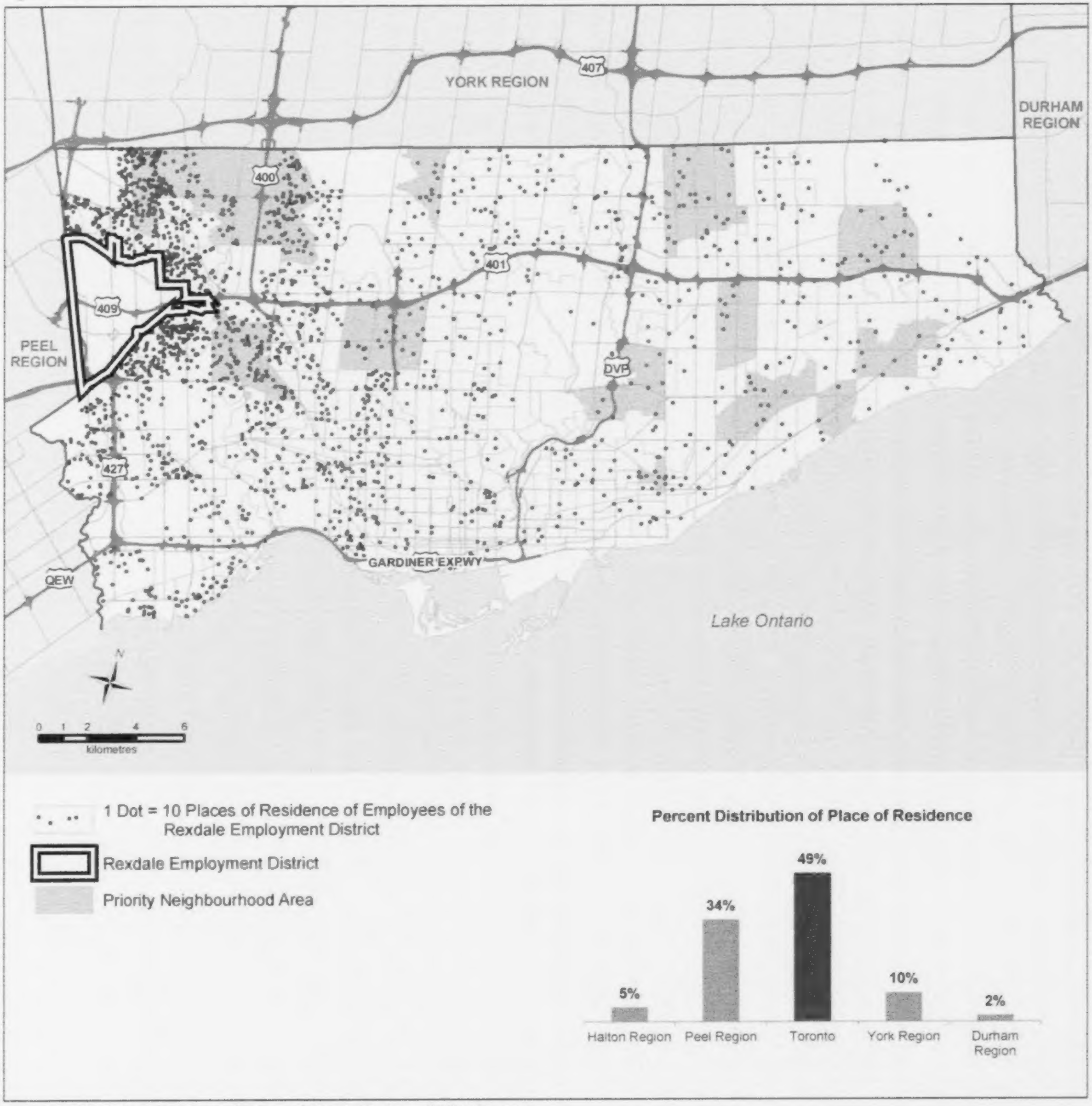


Figure D.2.12: Building Size for Industrial Space in the Rexdale Employment District, 2011



Source: C&W, 2011 Q4

Figure D.2.13: Distribution of Place of Residence for Employment in the Rexdale Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Rexdale Employment District
Rexdale Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
5%
34%
49%
10%
2%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.3 South Etobicoke Employment District

The South Etobicoke Employment District is the largest district with regard to both employment and third largest in terms of land area. It is located adjacent to the Hwy. 427- Gardiner Expressway interchange and is bounded by Royal York Rd. to the east, Hwy. 427 to the west, Dundas St. to the north and Lakeshore Blvd. to the south. In 2011, the district employed 38,852 people predominantly in Manufacturing and Warehouse followed closely by Office sectors. The Queensway frontage has a significant retail presence

Key Facts:

- ***The South Etobicoke District employed 38,852 people in 2011, a 3.76% decline from 2006 and a 6% decline from 2001;***
- ***It supported 3% of the City's employment in 2011, and 2.8% of its 2011 non-residential assessment;***
- ***The District generated $80.4 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Retail (28%) sector, while a 27% decline in its Manufacturing employment, and a 23% decline in Institutional employment;***
- ***New establishment growth was concentrated in the Manufacturing and Service sectors. In Manufacturing, growth in establishments is occurring notwithstanding the overall decline in Manufacturing employment;***
- ***With a net occupied land base of 917 ha, there is 32.7 million sq. ft. of industrial building space with an average vacancy rate of 8.2% in 2011;***
- ***This District is the largest in terms of total industrial inventory (in square footage terms). It accounts for almost 12% of the City of Toronto's total industrial inventory;***
- ***Most built industrial space dates to the 1960's, concentrated in buildings with clear ceiling heights in the 16 to 20 foot range;***
- ***This District is among the top five across the City of Toronto in terms of the proportion of its industrial inventory with a ceiling clear height exceeding 24'. This category accounts for roughly 15% of the inventory, compared to an average of 11.6% City-wide;***
- ***The District has access from Hwys 427 and 27, and the Gardiner Expressway, with Kipling and Islington Avenues, Dundas Street and the Queensway as major arterials. It has edges close to GO rail and TTC subway stations, and is served by a number of bus transit routes;***
- ***Of persons living in the GTAH, residents of Toronto hold 56% of the jobs located in the District.***

Figure D.3.1: Profile Data for the South Etobicoke Employment District, 2001, 2006 and 2011

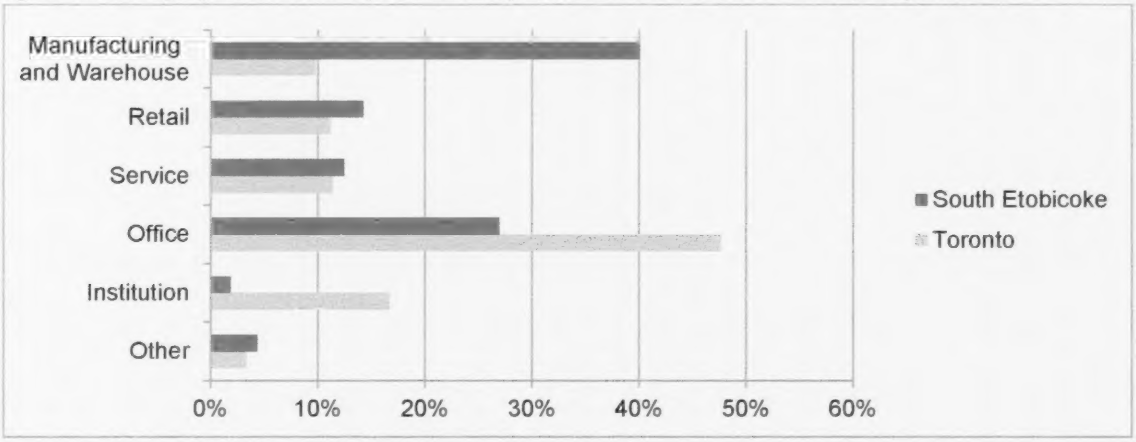
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	987.3	-	8.8%
Vacant Area (Ha)	-	-	70.3	-	7.7%
Vacant Area (% of Net)	-	-	7.1%	-	-
Employment (Total PT & FT)	41,325	40,371	38,852	-6.0%	2.9%
No. of Establishments	1,504	1,580	1,605	6.7%	2.1%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	59%, 20%, 8%, 7%, 7%	62%, 19%, 8%, 6%, 5%	64%, 17%, 8%, 5%, 5%	-	-
Industrial Inventory (sq. ft.)	-	-	32,734,424	-	12.2%
Industrial Vacancy Rate	-	-	8.2%	-	-
Industrial Rental Rate ($/sq. ft.)	-	-	$4.34	-	-
Total Non Res. Assessment	$843,428,983	-	$2,228,769,352	0.6x	2.8%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

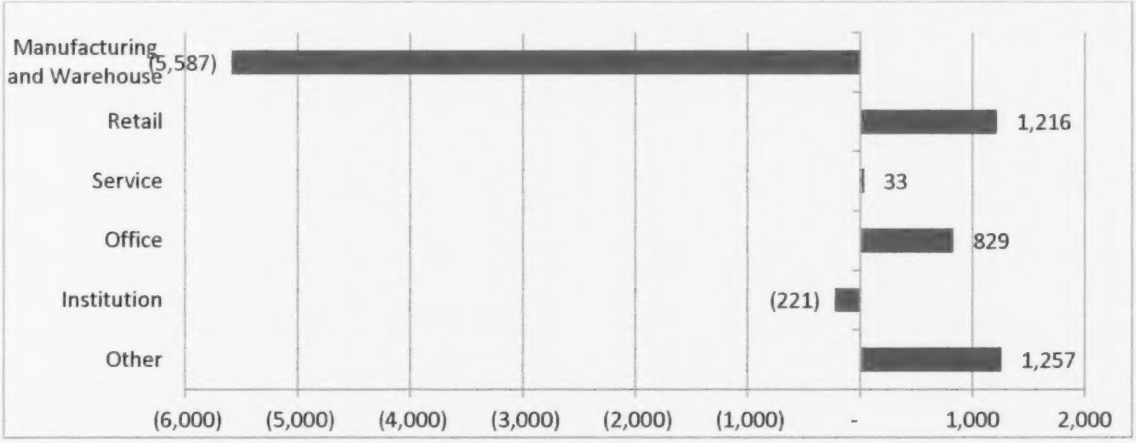
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.3.2: Employment Structure(% Distribution) in the South Etobicoke District by Major Sector, 2011



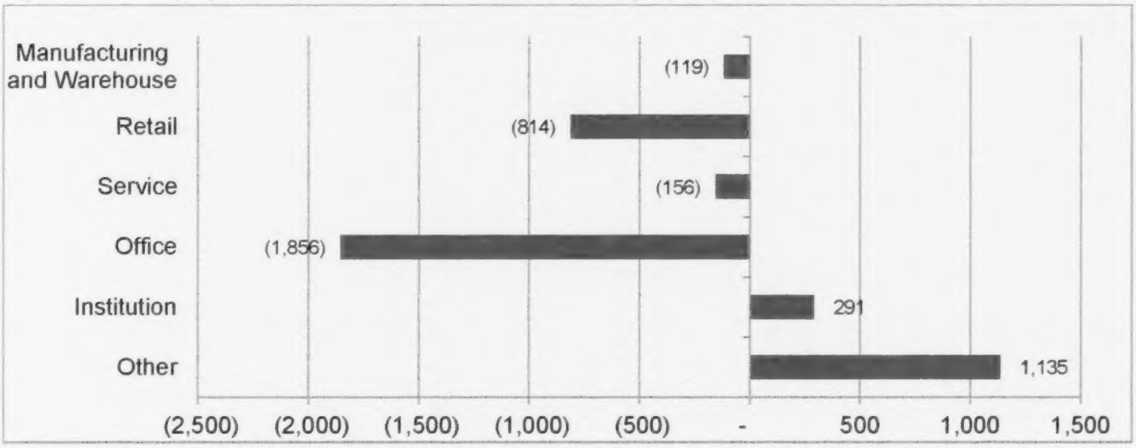
Source: City of Toronto Employment Survey, 2011

Figure D.3.3: Employment Growth in the South Etobicoke Employment District by Major Sector, 2001 to 2011



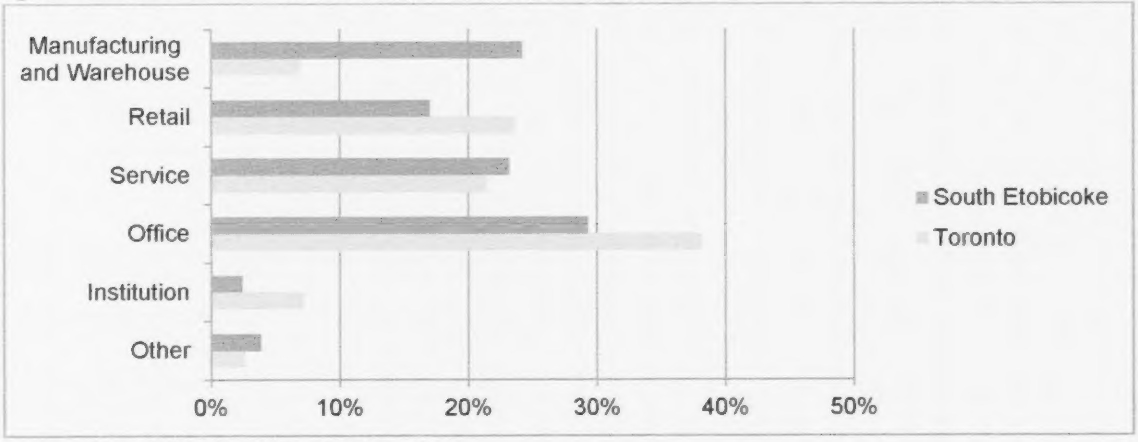
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.3.4: Employment Growth in the South Etobicoke Employment District by Major Sector, 2006 to 2011



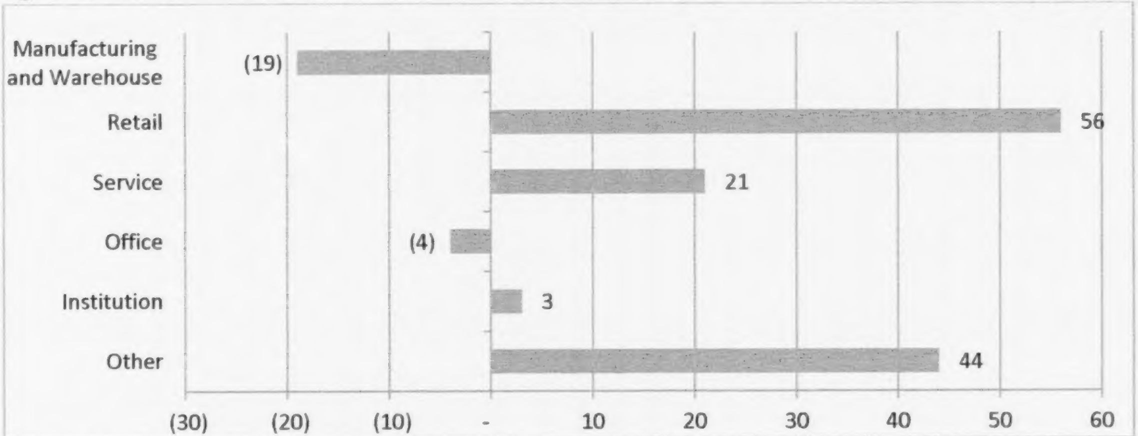
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.3.5: Establishment Structure (% Distribution)in the South Etobicoke District by Major Sector, 2011



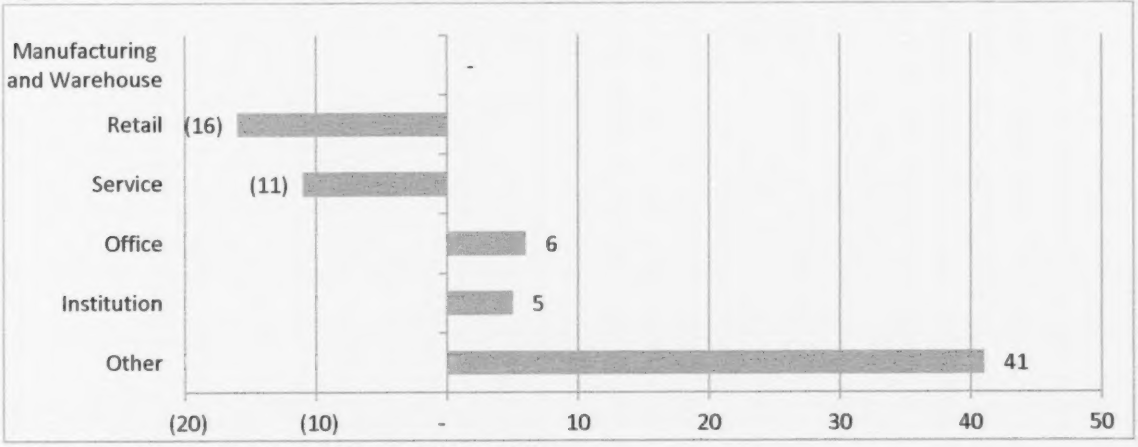
Source: City of Toronto Employment Survey, 2011

Figure D.3.6: Establishment Growth in the South Etobicoke Employment District by Major Sector, 2001 to 2011



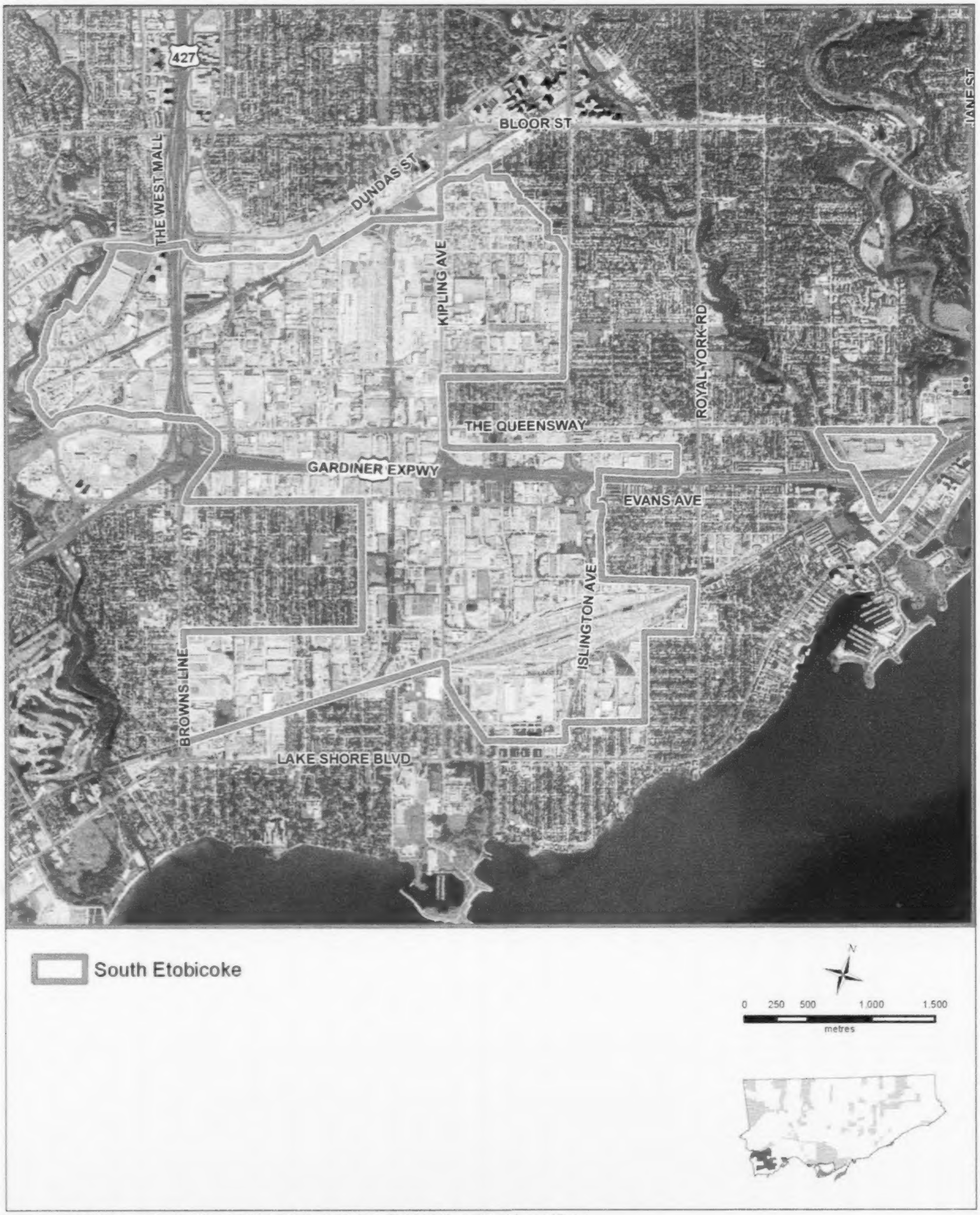
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.3.7: Establishment Growth in the South Etobicoke Employment District by Major Sector, 2006 to 2011



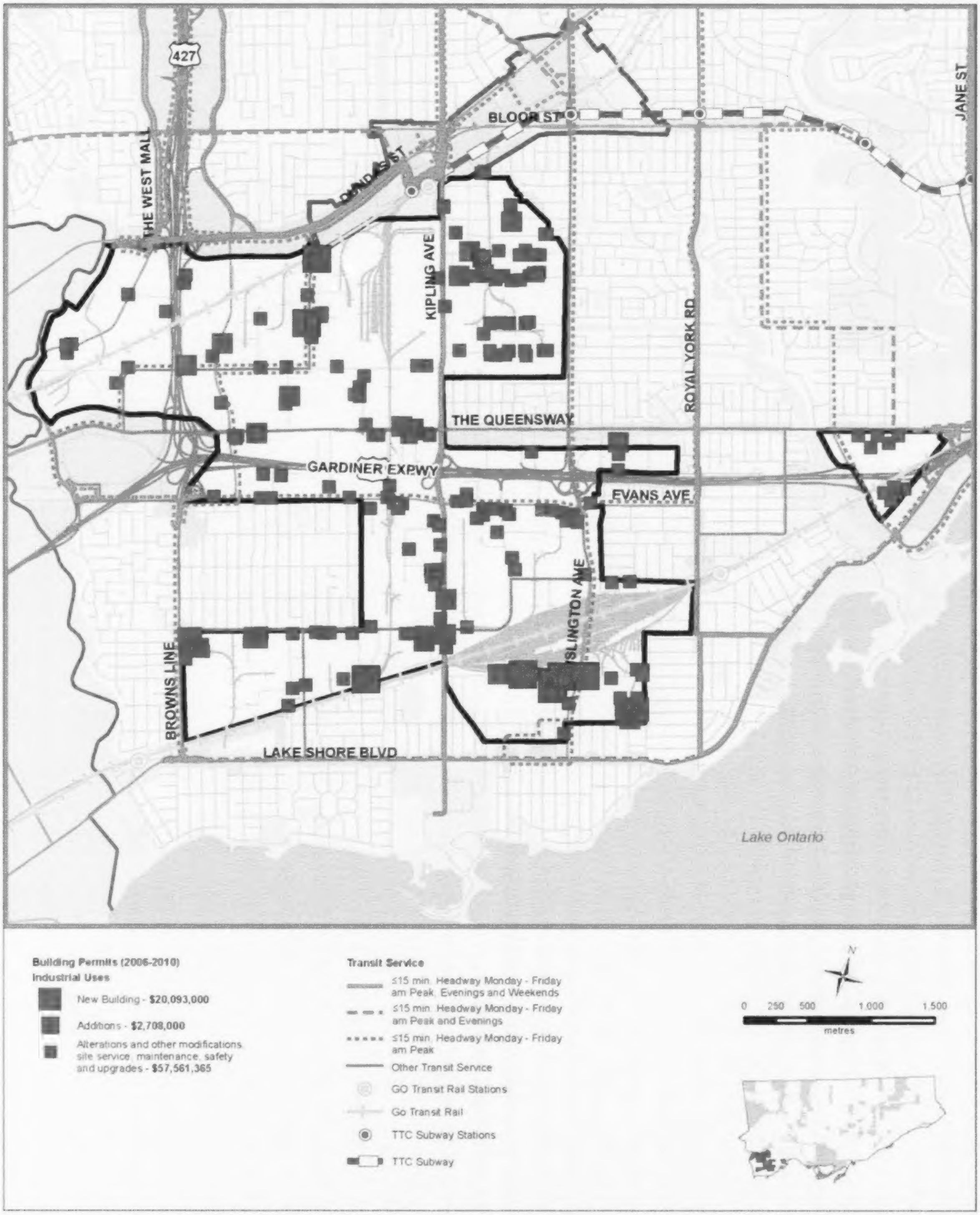
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.3.8: Extent and Character of the South Etobicoke Employment District


427
JANE ST
BLOOR ST
DUNDAS ST
THE WEST MALL
KIPLING AVE
ROYAL YORK RD
THE QUEENSWAY
GARDINER EXPWY
EVANS AVE
ISLINGTON AVE
BROWNS LINE
LAKE SHORE BLVD
South Etobicoke
N
0 250 500 1,000 1,500
metres

Source: 2012 Google Earth; © 2012 Digital Globe; © 2012 TerraMetrics; NOAA

Figure D.3.9: Industrial Re-investment and Transit Services in the South Etobicoke Employment District, 2006-2010


427
THE WEST MALL
DUNDAS ST
BLOOR ST
JANE ST
KIPLING AVE
ROYAL YORK RD
THE QUEENSWAY
GARDINER EXPWY
EVANS AVE
ISLINGTON AVE
BROWNS LINE
LAKE SHORE BLVD
Lake Ontario
Building Permits (2006-2010)
Industrial Uses
New Building - $20,093,000
Additions - $2,708,000
Alterations and other modifications site service, maintenance, safety and upgrades - $57,561,365
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 250 500 1,000 1,500
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.3.10: Average Ceiling Height for Industrial Space in the South Etobicoke Employment District, 2011

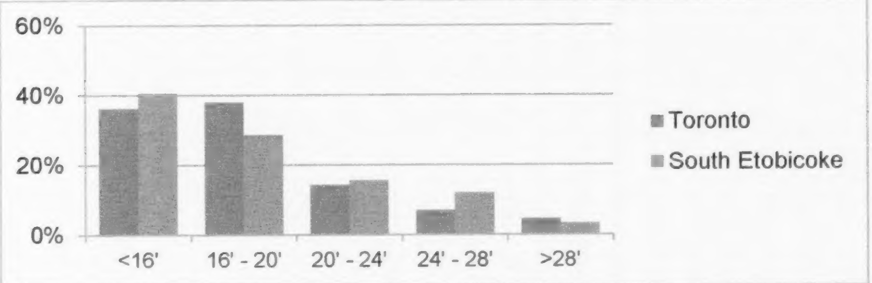


Figure D.3.11: Built Year for Industrial Space in the South Etobicoke Employment District, 2011

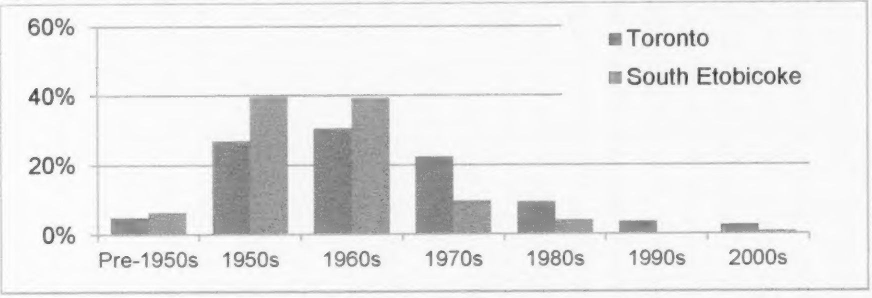
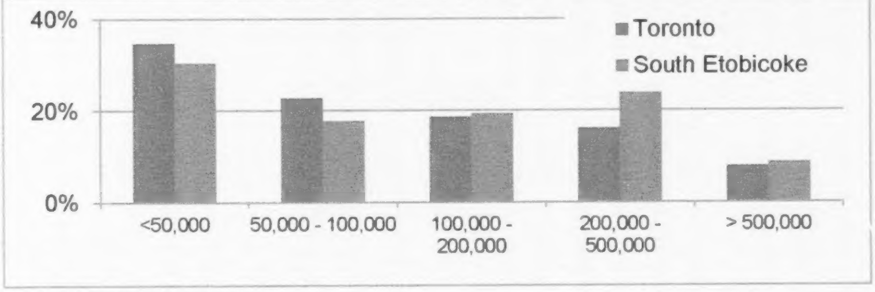
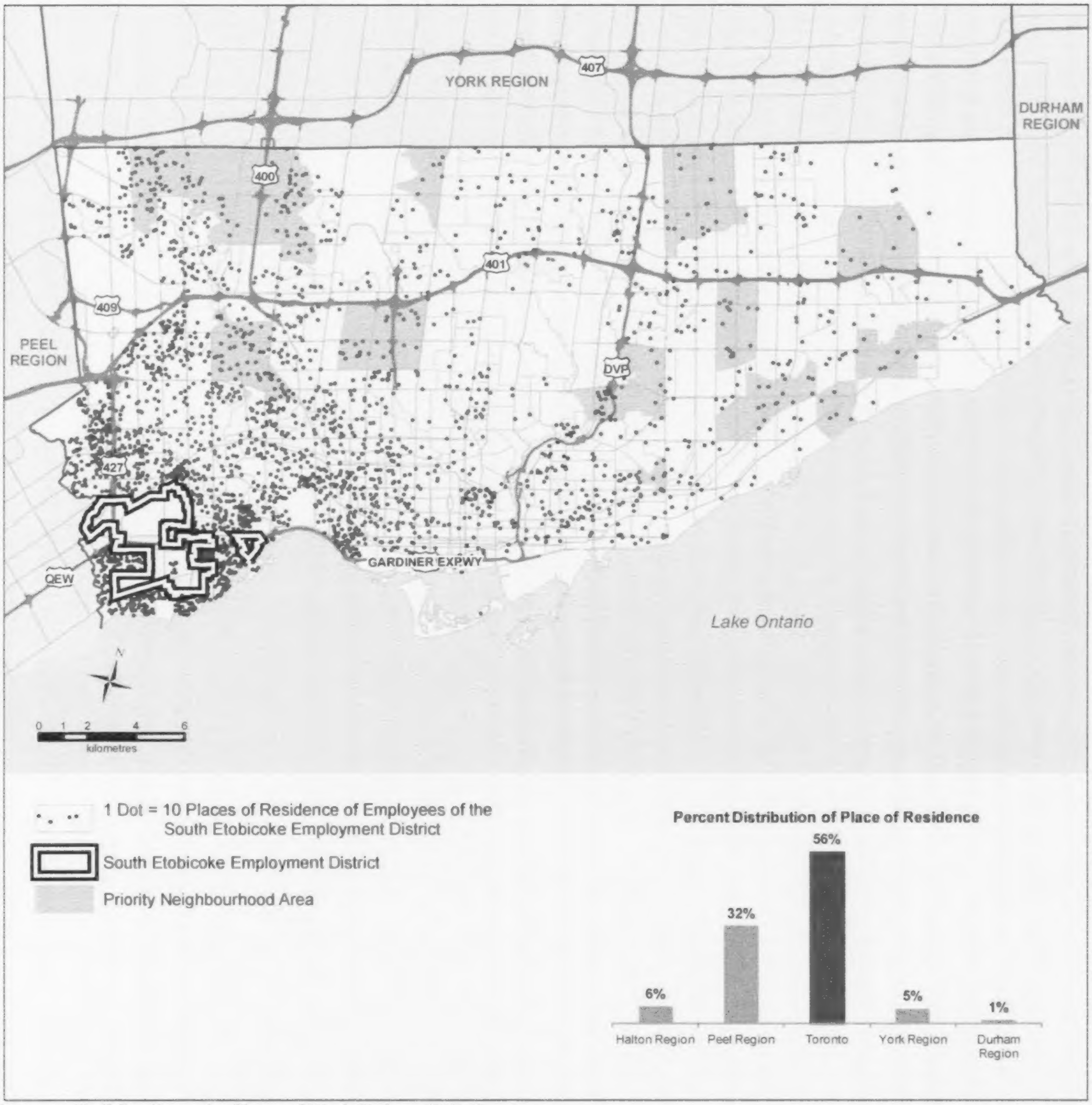


Figure D.3.12: Average Building Size for Industrial Space in the South Etobicoke Employment District, 2011



Source: C&W, 2011 Q4

Figure D.3.13: Distribution of Place of Residence for Employment in the South Etobicoke Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the South Etobicoke Employment District
South Etobicoke Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
6%
32%
56%
5%
1%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.4 Highway 400 Corridor Employment District

The Highway 400 Corridor Employment District is located along the Hwy 400 corridor between Steeles Ave. and Hwy 401. In 2011, the district employed 32,435 people predominantly in the Manufacturing and Warehouse sector.

Key Facts:

- *The Highway 400 District employed 32,435 people in 2011, a 7.36% decline from 2006 and a 6.1% decline from 2001;*
- *It supported 2.5% of the City's employment in 2011, and 2.7% of its non-residential assessment;*
- *The District had $81 million in industrial building permit values between 2006 and 2010;*
- *Employment growth (2001 – 2011) occurred in its Institutional (60%), Office (22%) and Service (5%) sectors, with a 19% decline in its Manufacturing employment, and 7% decline in Retail employment;*
- *New establishment growth was concentrated in the Institutional, Office and Service sectors.*
- *With a net occupied land base of 736.9 ha, there is 28.9 million sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;*
- *This Employment District is the third largest in terms of total industrial inventory (in square footage terms). It accounts for approximately 10.5% of the City of Toronto's total industrial inventory;*
- *Most built industrial space dates to the 1950 and 1960's, concentrated in buildings with clear ceiling heights in the 16 to 20 foot range;*
- *The District has access from Hwys 400 and 401, and the Steeles, Finch, Sheppard and Wilson Avenues and Weston Road arterials and is served by internal and arterial bus transit;*
- *Of persons living in the GTAH, residents of Toronto hold 57% of the jobs located in the District.*

Figure D.4.1: Profile Data for the Highway 400 Corridor Employment District, 2001, 2006 and 2011

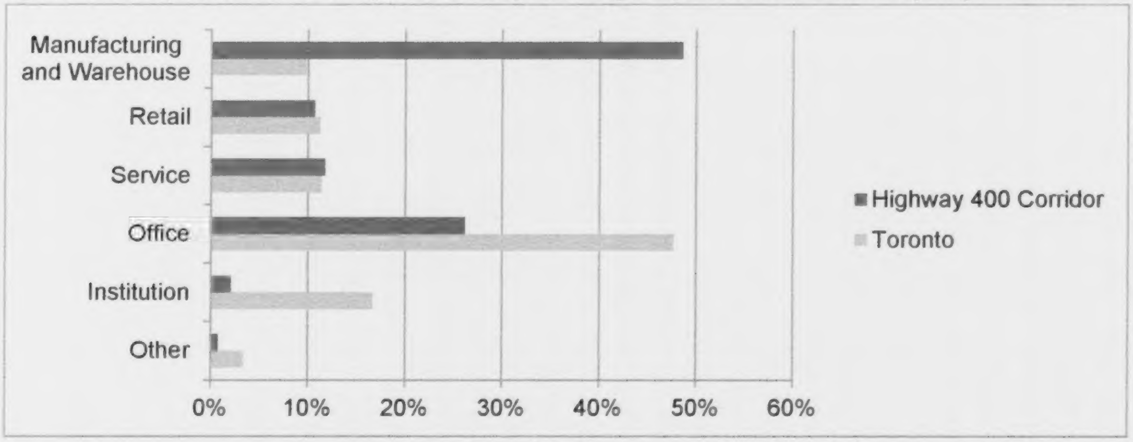
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	766.6	-	6.8%
Vacant Area (Ha)	-	-	29.7	-	3.2%
Vacant Area (% of Net)	-	-	3.9%	-	-
Employment (Total PT & FT)	34,535	35,010	32,435	-6.1%	2.5%
No. of Establishments	1,857	2,083	2,108	13.5%	2.8%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	69%, 15%, 8%, 5%, 3%	72%, 15%, 7%, 4%, 3%	75%, 13%, 6%, 4%, 2%	-	-
Industrial Inventory (sq ft)	-	-	28,960,822	-	10.8%
Industrial Vacancy Rate	-	-	3.5%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.24	-	-
Total Non Res. Assessment	$833,550,680	-	$2,166,732,602	0.6x	2.7%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

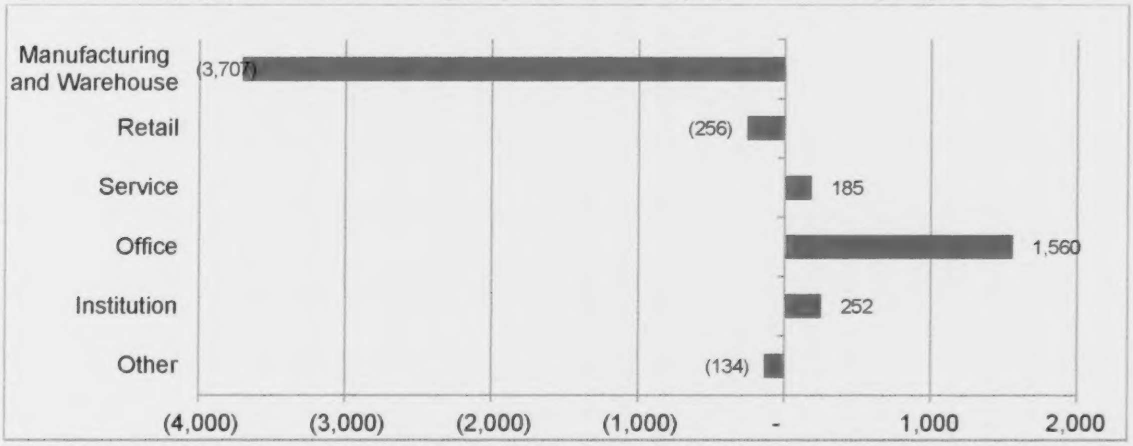
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.4.2: Employment Structure (% Distribution) in the Highway 400 Corridor District by Major Sector, 2011



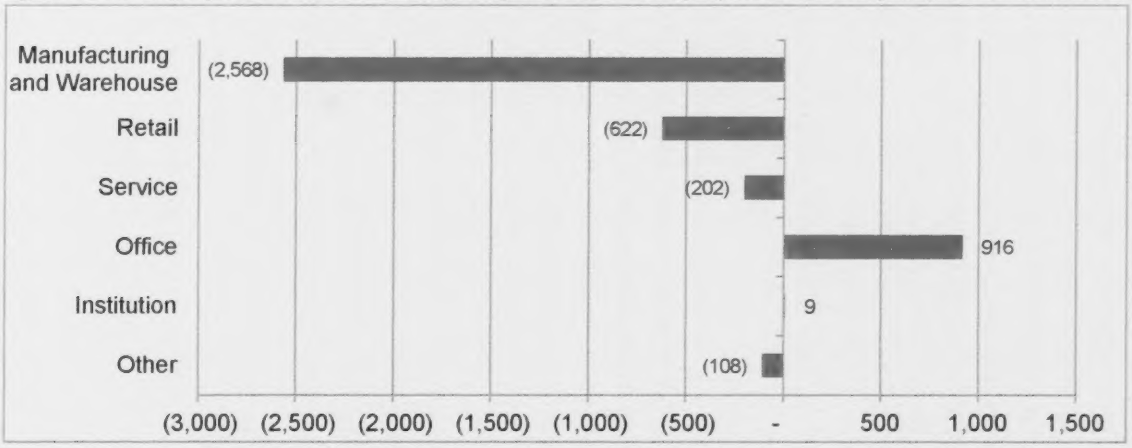
Source: City of Toronto Employment Survey, 2011

Figure D.4.3: Employment Growth in the Highway 400 Corridor Employment District by Major Sector, 2001 to 2011



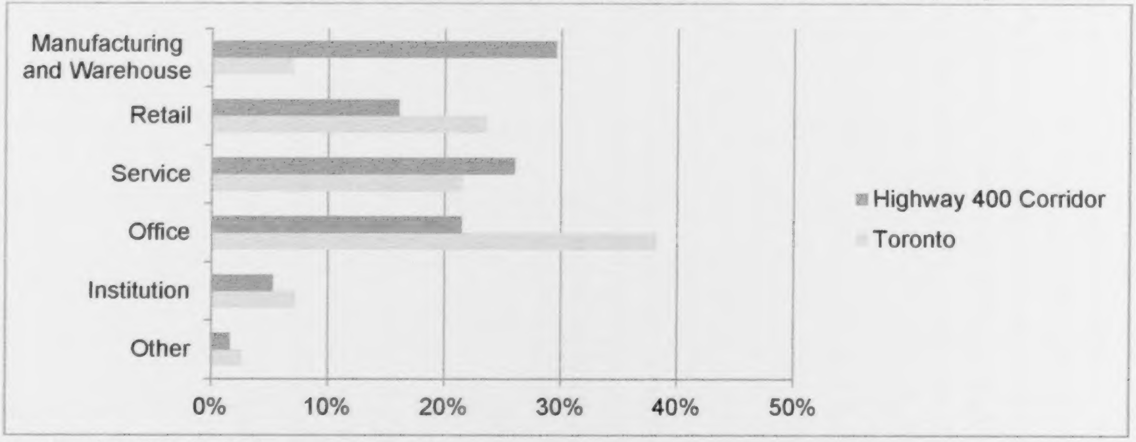
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.4.4: Employment Growth in the Highway 400 Corridor Employment District by Major Sector, 2006 to 2011



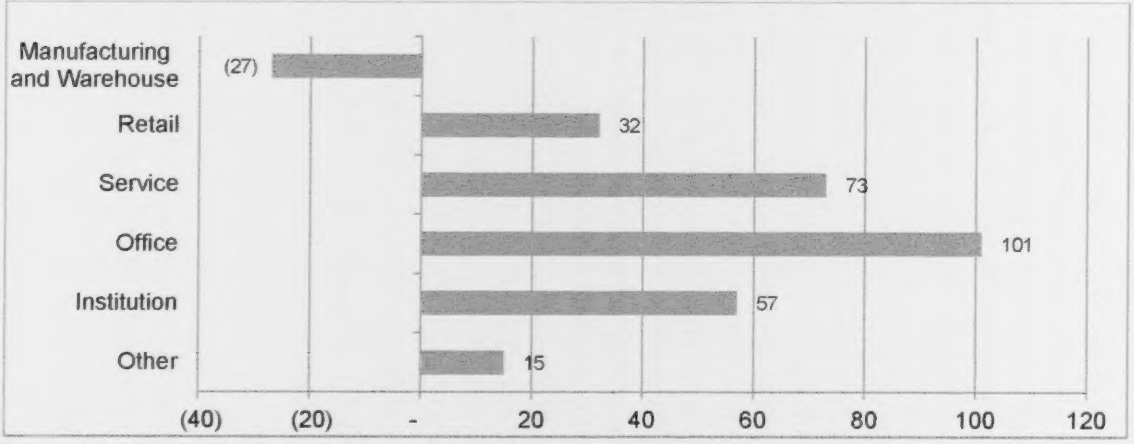
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.4.5: Establishment Structure (% Distribution) in the Highway 400 Corridor District by Major Sector, 2011



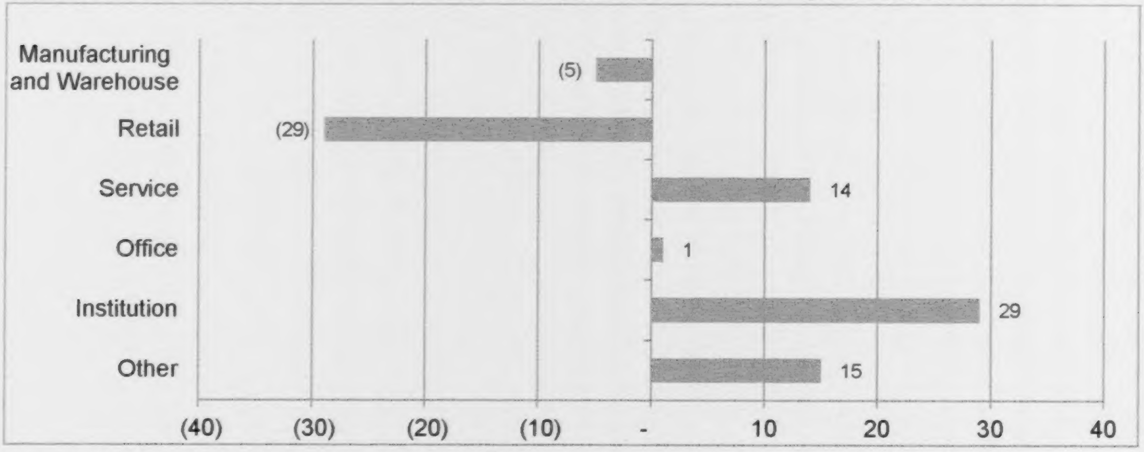
Source: City of Toronto Employment Survey, 2011

Figure D.4.6: Establishment Growth in the Highway 400 Corridor District by Major Sector, 2001 to 2011



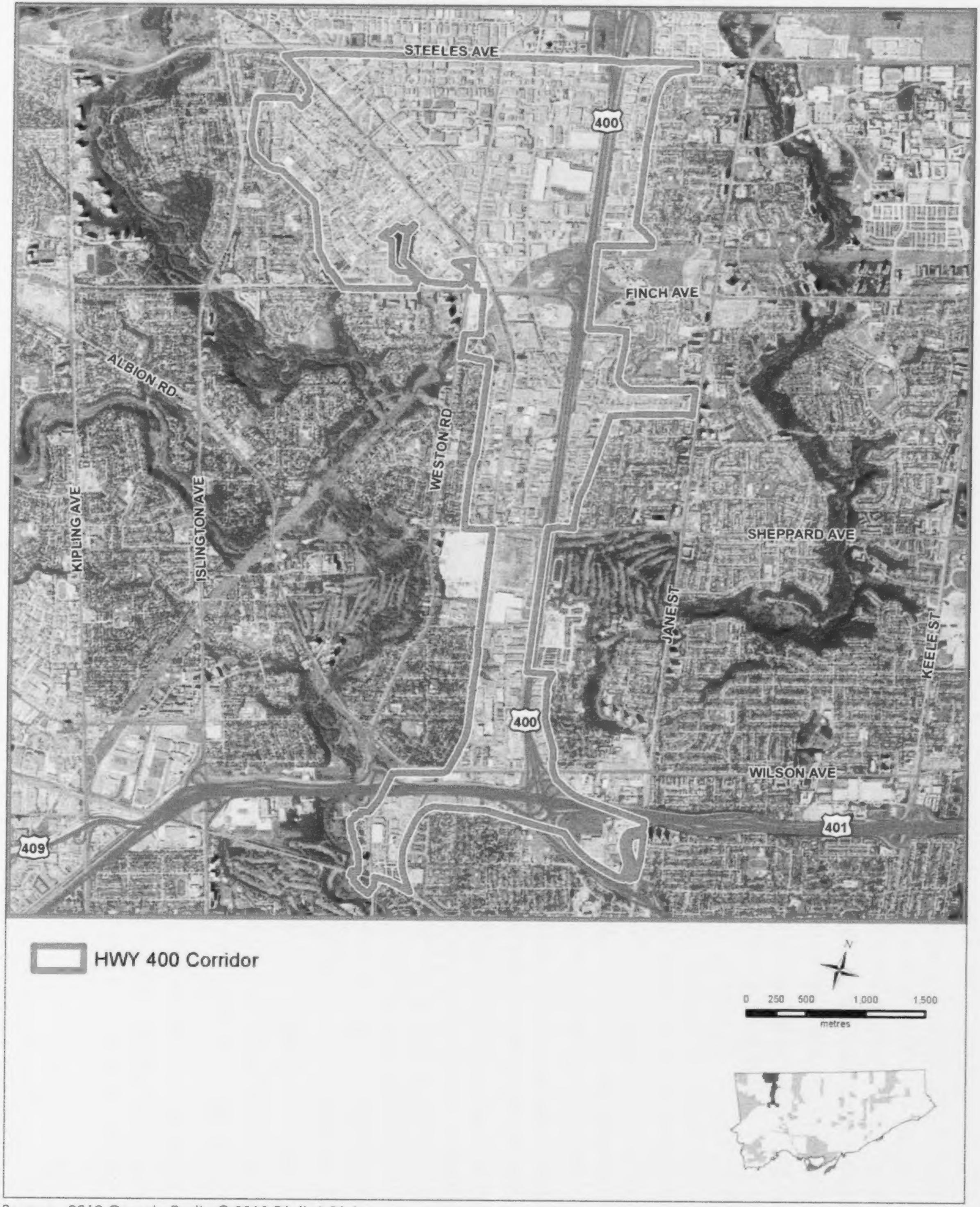
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.4.7: Establishment Growth in the Highway 400 Corridor District by Major Sector, 2006 to 2011



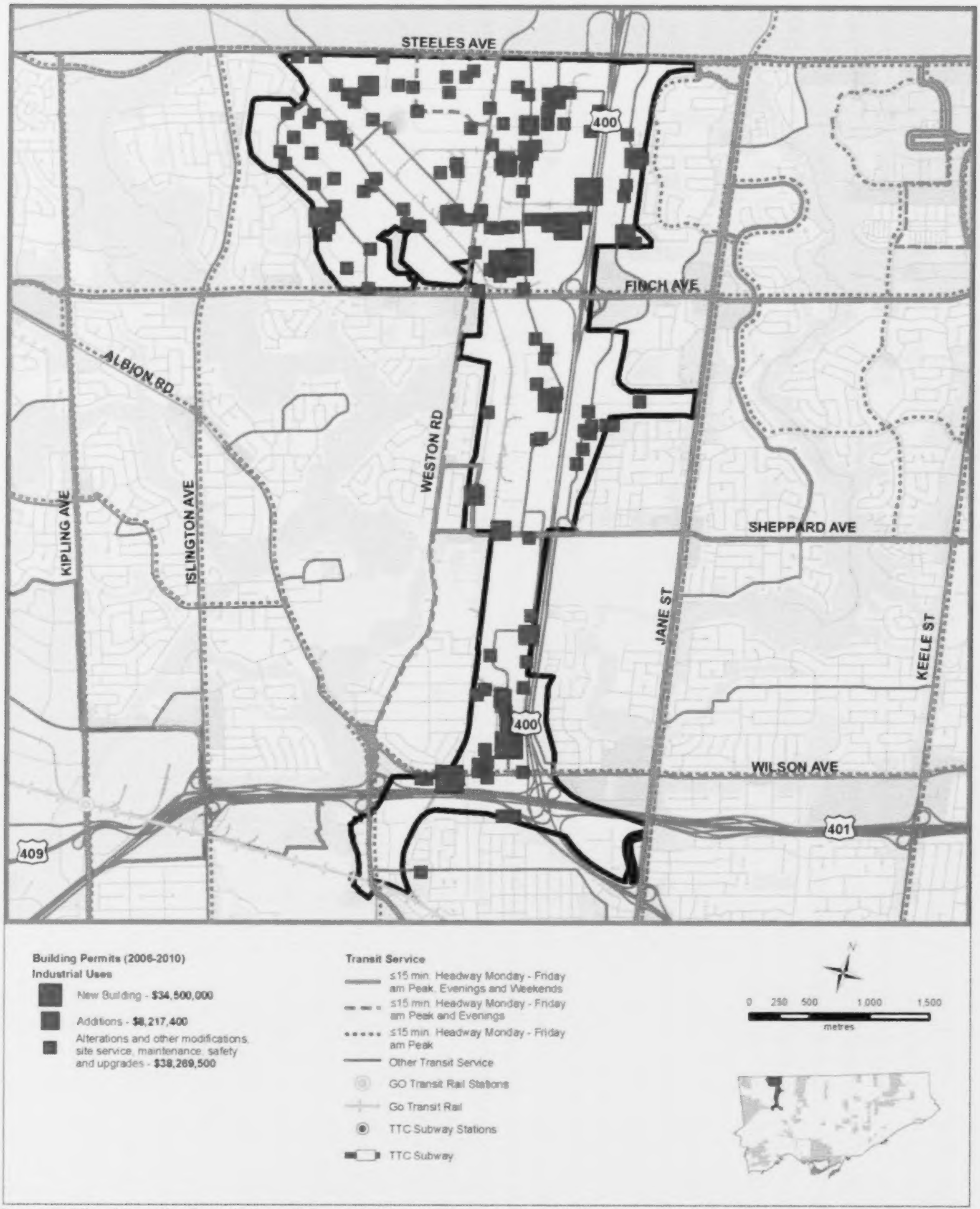
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.4.8: Extent and Character of the Highway 400 Corridor Employment District


STEELES AVE
400
FINCH AVE
ALBION RD
WESTON RD
KIPLING AVE
ISLINGTON AVE
SHEPPARD AVE
JANE ST
KEELE ST
400
WILSON AVE
401
409
HWY 400 Corridor
N
0
250
500
1,000
1,500
metres

Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.4.9: Industrial Re-investment and Transit Services in the Highway 400 Corridor Employment District, 2006-2010


STEELES AVE
400
FINCH AVE
ALBION RD
WESTON RD
KIPLING AVE
ISLINGTON AVE
SHEPPARD AVE
JANE ST
KEELE ST
400
WILSON AVE
401
409
Building Permits (2006-2010)
Industrial Uses
New Building - $34,500,000
Additions - $8,217,400
Alterations and other modifications, site service, maintenance, safety and upgrades - $38,269,500
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 250 500 1,000 1,500
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.4.10: Ceiling Height for Industrial Space in the Highway 400 Corridor Employment District, 2011

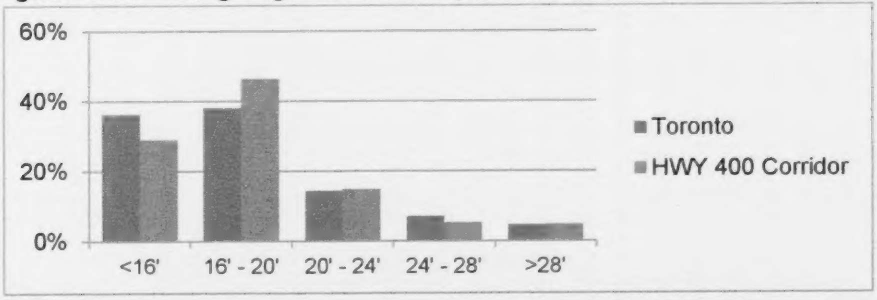


Figure D.4.11: Built Year for Industrial Space in the Highway 400 Corridor Employment District, 2011

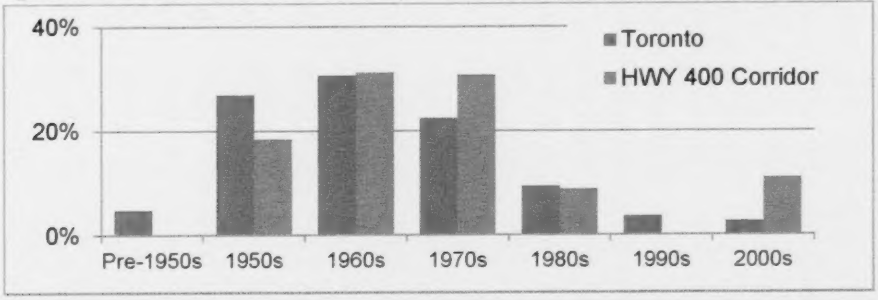
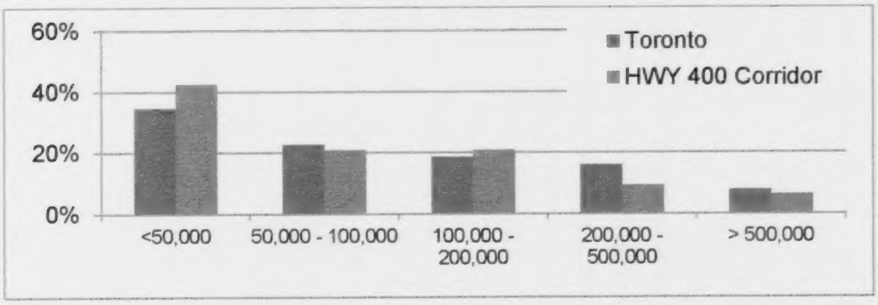
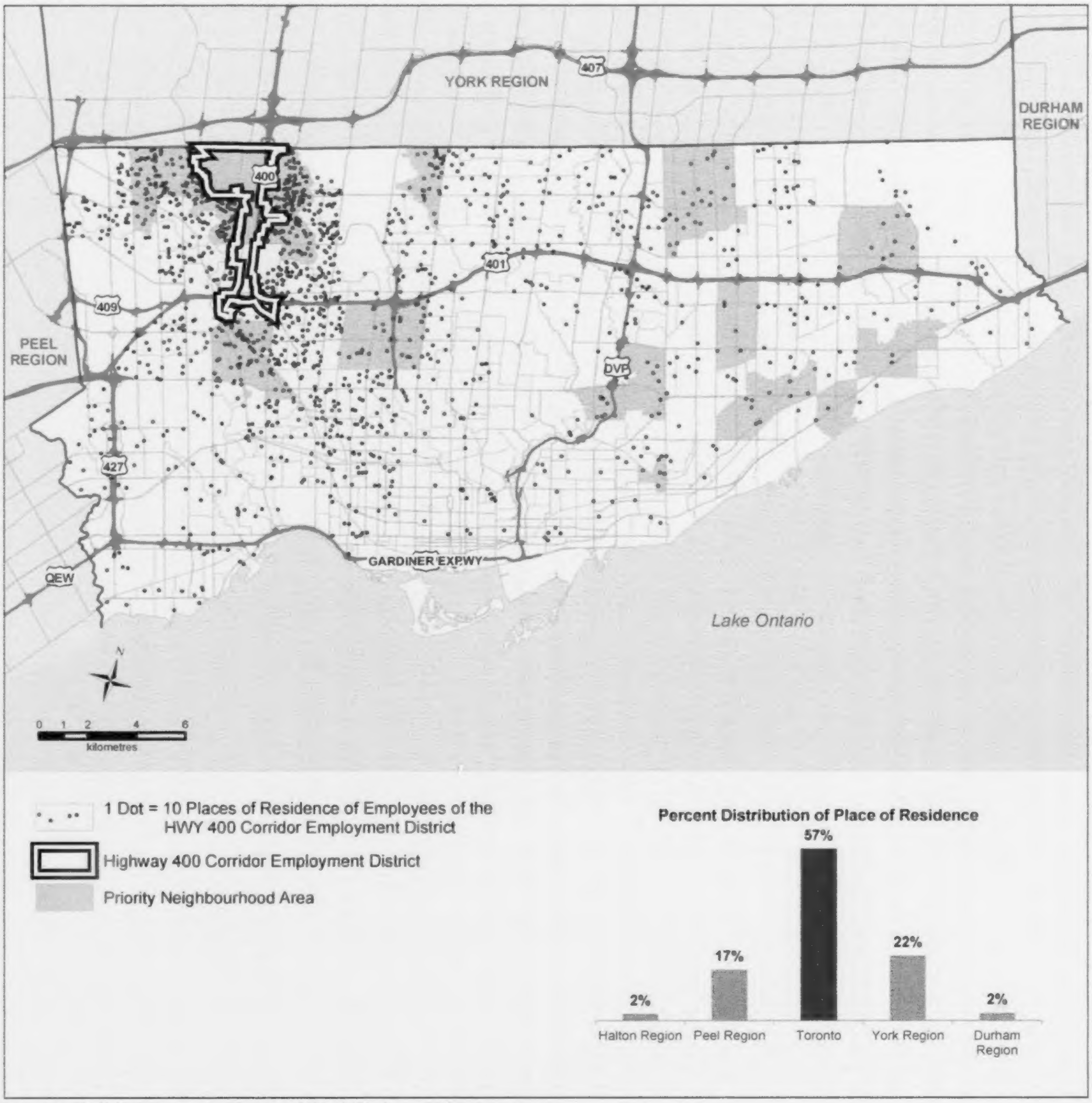


Figure D.4.12: Building Size for Industrial Space in the Highway 400 Corridor Employment District, 2011



Source: C&W, 2011 Q4

Figure D.4.13: Distribution of Place of Residence for Employment in the Highway 400 Corridor Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the HWY 400 Corridor Employment District
Highway 400 Corridor Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
2%
17%
57%
22%
2%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.5 Weston Road / Junction Employment District

The Weston Road/Junction Employment District is the City's third smallest district geographically. It is located centrally in the west area of Toronto and is bound by Trethewey Dr. to the north, Black Creek Dr. to the east, Eglinton Ave. to the south, and a rail corridor to the west. In 2011, the district employed 1,653 people, predominantly within the Service sector followed by Manufacturing and Warehousing and Institutional businesses and is home to the former Kodak facilities, now slated for re-development as a transit yard.

Key Facts:

- ***The Weston Road / Junction District employed 1,653 people in 2011, a 69.7% increase from 2006 and a 46% decline from 2001;***
- ***It supported less than 1% of the City's employment in 2011, and 0.12% of its non-residential assessment;***
- ***The District had $45.3 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Service (3,100%) sector, with an 85% decline in Office sector employment, and 77% decline in its Manufacturing employment.***
- ***New establishment growth was concentrated in the Manufacturing and Service sectors. In Manufacturing, growth in establishments is occurring notwithstanding the overall decline in Manufacturing employment;***
- ***With a net occupied land base of 27.8 ha, there is 1.8 million sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;***
- ***Most built industrial space dates to the 1990's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The District has access from Eglinton Avenue, Weston road (indirectly) and Black Creek Drive. Bus transit is present along edge arterials and one internal route;***
- ***Of persons living in the GTAH, residents of Toronto hold 65% of the jobs located in the District.***

Figure D.5.1: Profile Data for the Weston Road / Junction Employment District, 2001, 2006 and 2011

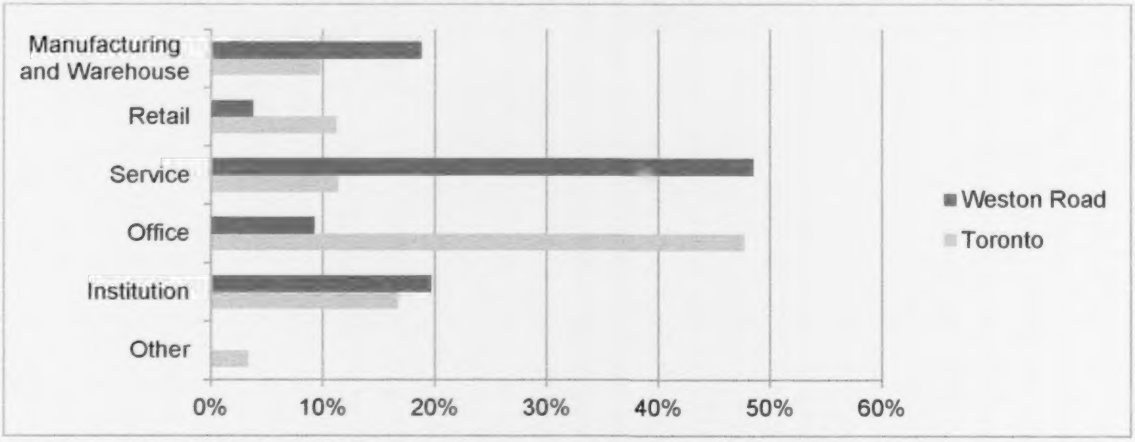
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	59.0	-	0.5%
Vacant Area (Ha)	-	-	31.2	-	3.4%
Vacant Area (% of Net)	-	-	52.9%	-	-
Employment (Total PT & FT)	3,061	974	1,653	-46.0%	0.1%
No. of Establishments	70	64	63	-10.0%	0.1%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	66%, 13%, 6%, 9%, 7%	73%, 14%, 3%, 8%, 2%	71%, 17%, 5%, 2%, 5%	-	-
Industrial Inventory (sq ft)	-	-	2,840,294	-	1.1%
Industrial Vacancy Rate	-	-	3.5%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.24	-	-
Total Non Res. Assessment	$56,674,950	-	$99,807,498	0.3x	0.1%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

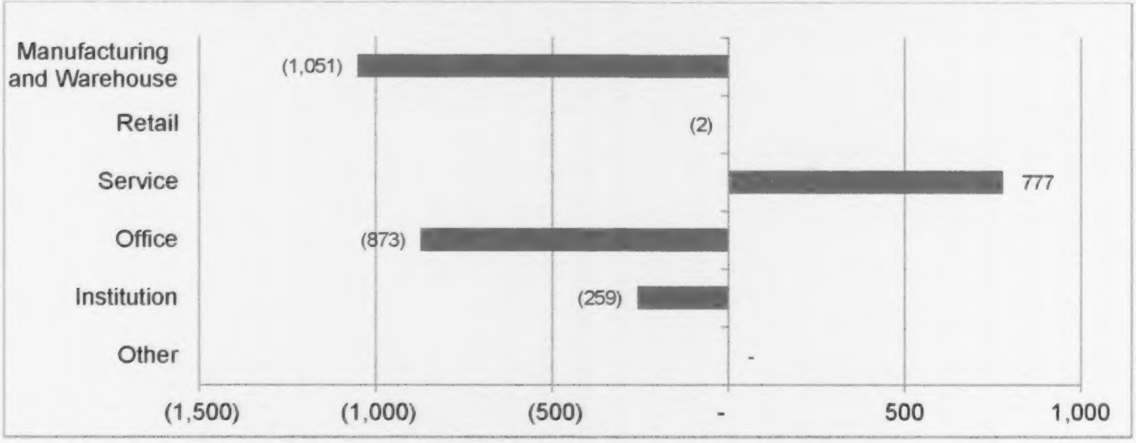
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.5.2: Employment Structure (% Distribution) in the Weston Road / Junction District by Major Sector, 2011



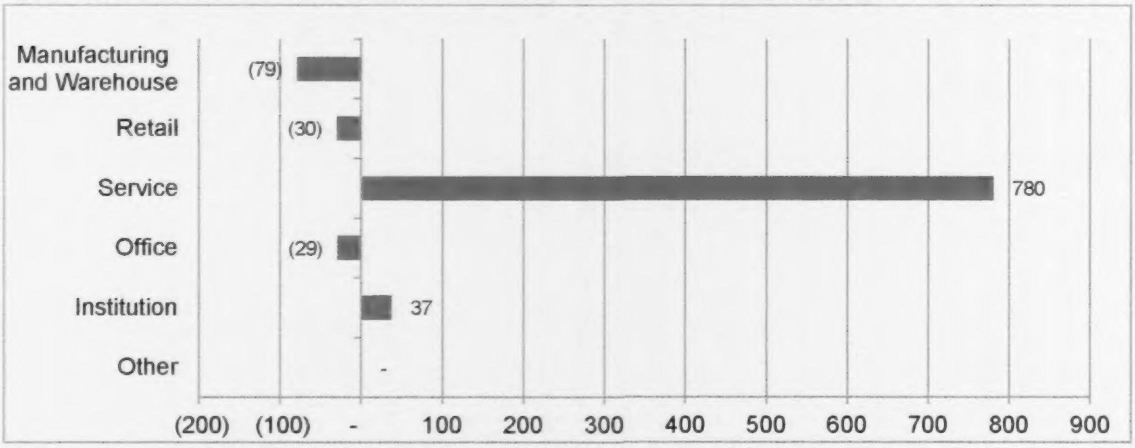
Source: City of Toronto Employment Survey, 2011

Figure D.5.3: Employment Growth in the Weston Road / Junction District by Major Sector, 2001 to 2011



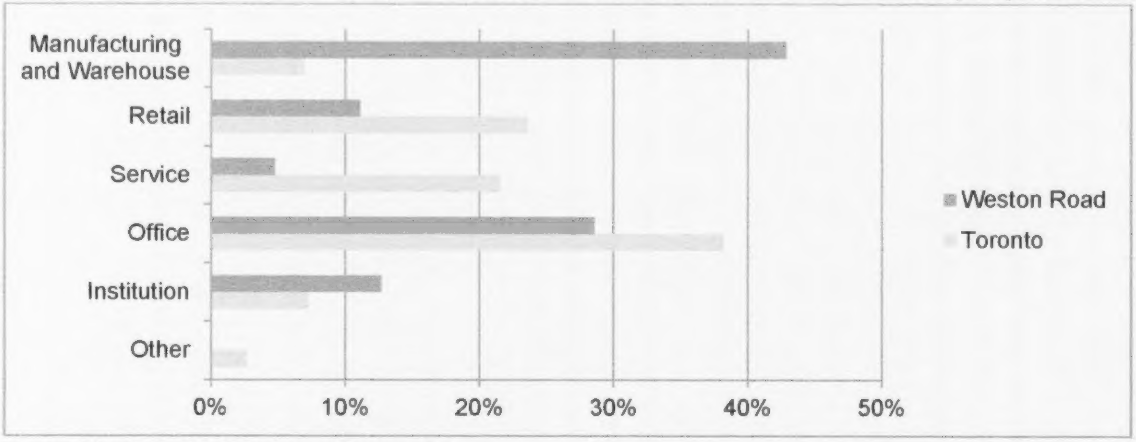
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.5.4: Employment Growth in the Weston Road / Junction District by Major Sector, 2006 to 2011



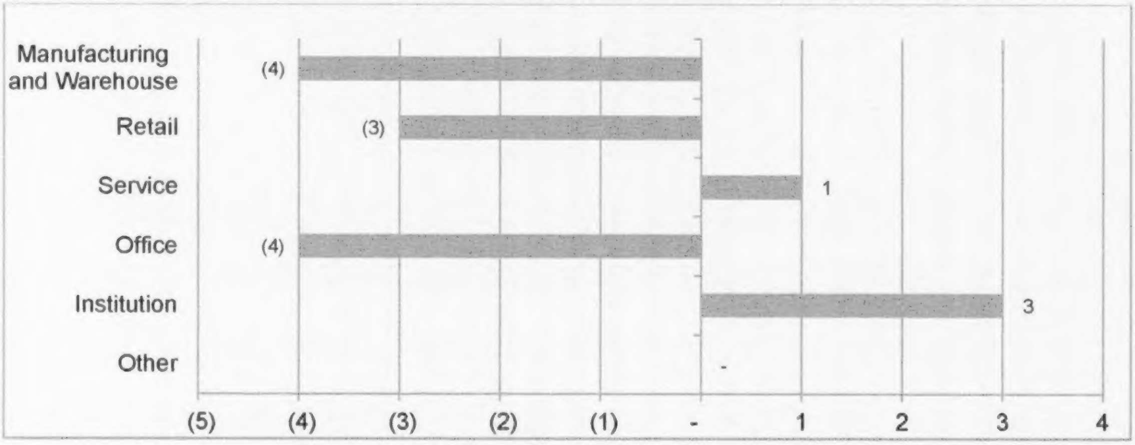
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.5.5: Establishment Structure (% Distribution) in the Weston Road / Junction District by Major Sector, 2011



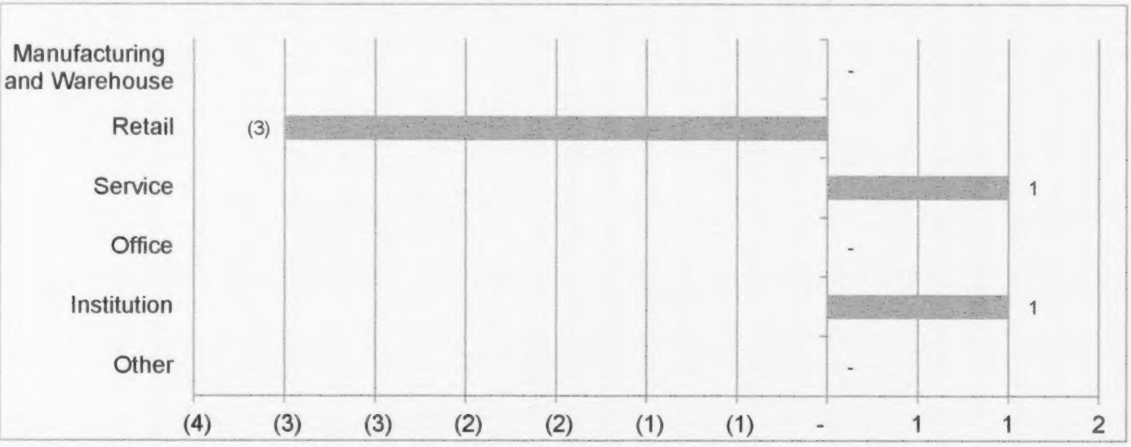
Source: City of Toronto Employment Survey, 2011

Figure D.5.6: Establishment Growth in the Weston Road / Junction District by Major Sector, 2001 to 2011



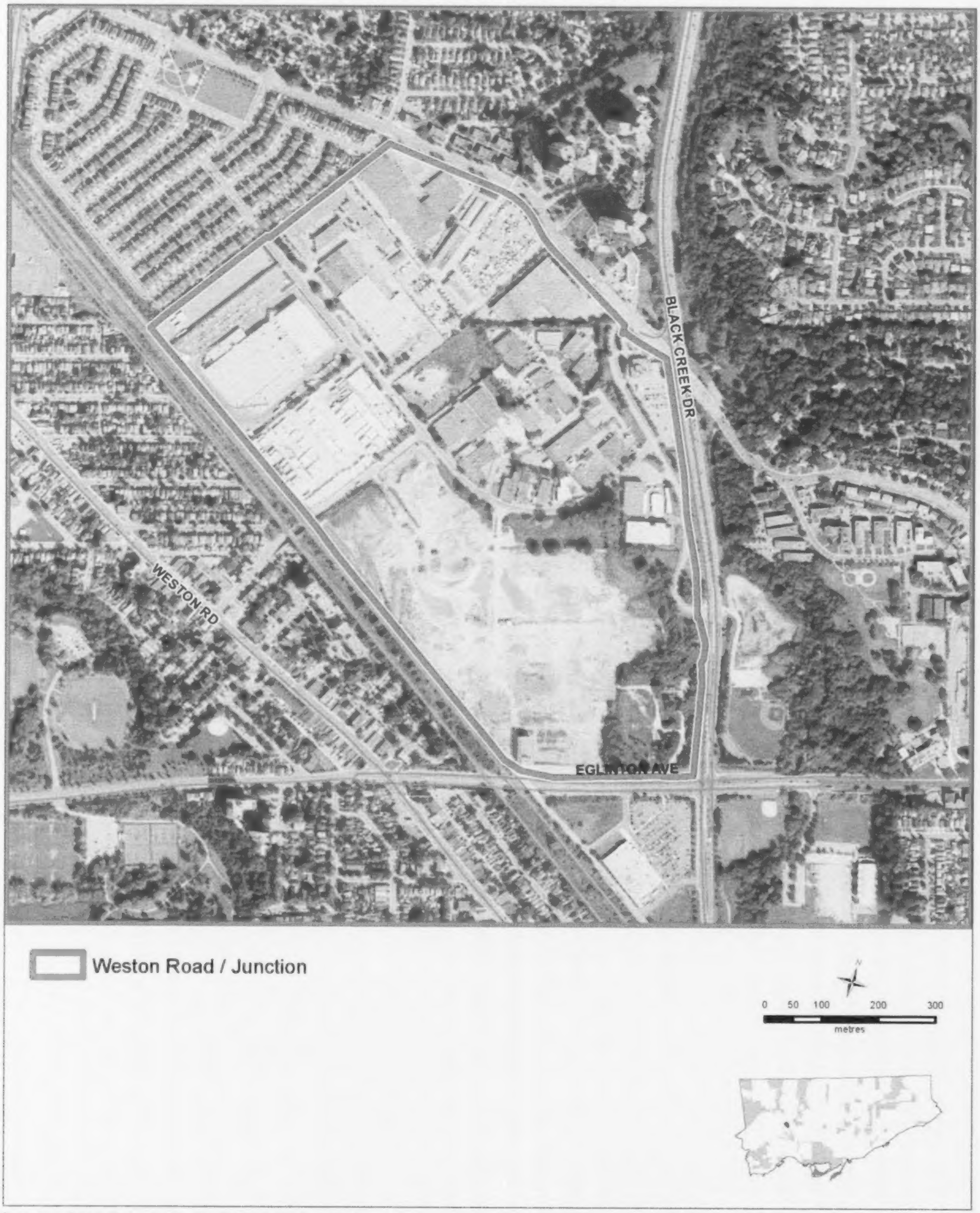
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.5.7: Establishment Growth in the Weston Road / Junction District by Major Sector, 2006 to 2011



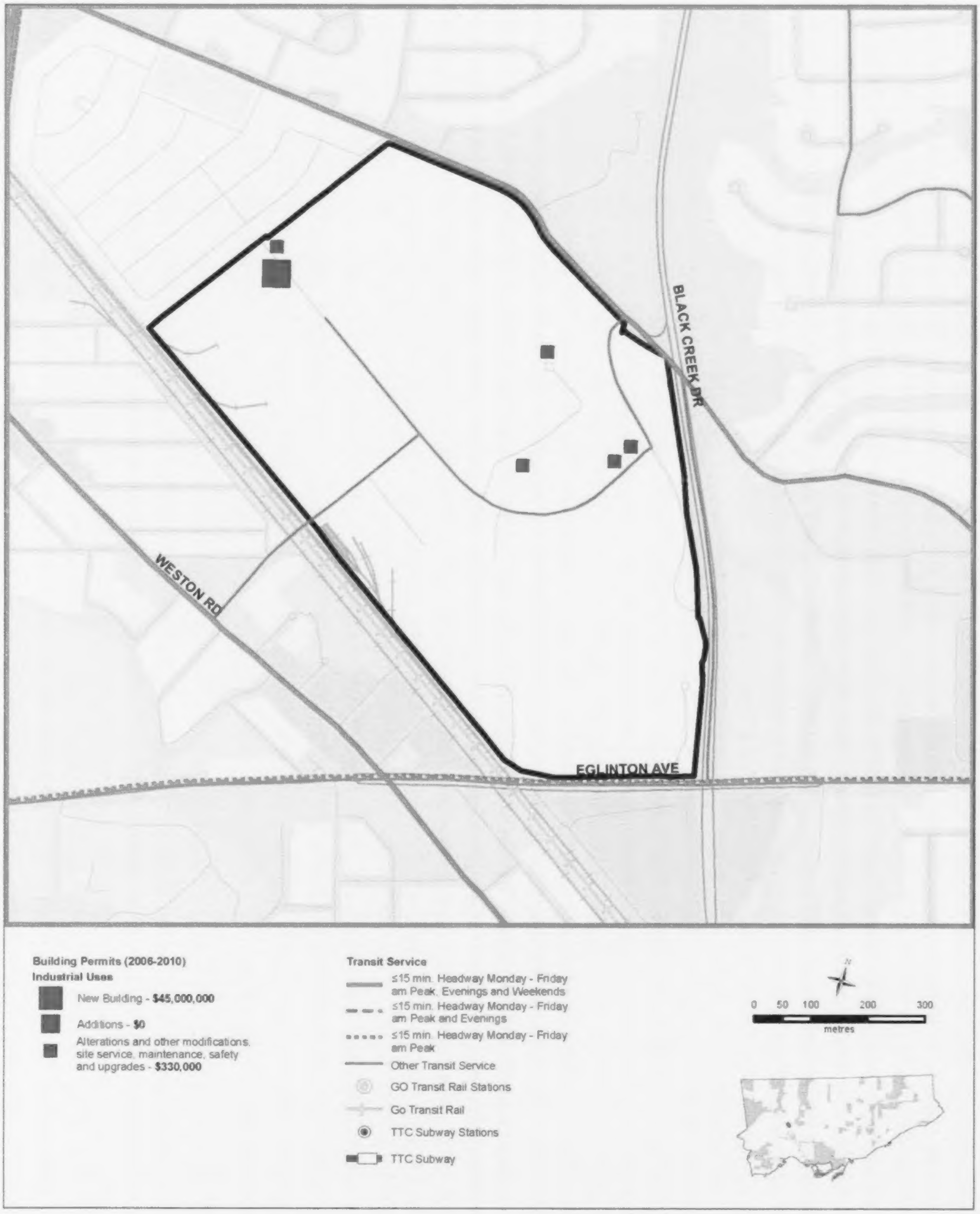
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.5.8: Extent and Character of the Weston Road / Junction Employment District


BLACK CREEK DR
WESTON RD
EGLINTON AVE
▭ Weston Road / Junction
N
0 50 100 200 300
metres

Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.5.9:Industrial Re-investment and Transit Services in the Weston Road / Junction Employment District, 2006-2010


BLACK CREEK DR
WESTON RD
EGLINTON AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $45,000,000
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $330,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 50 100 200 300
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.5.10: Ceiling Height for Industrial Space in the Weston Road / Junction Employment District, 2011

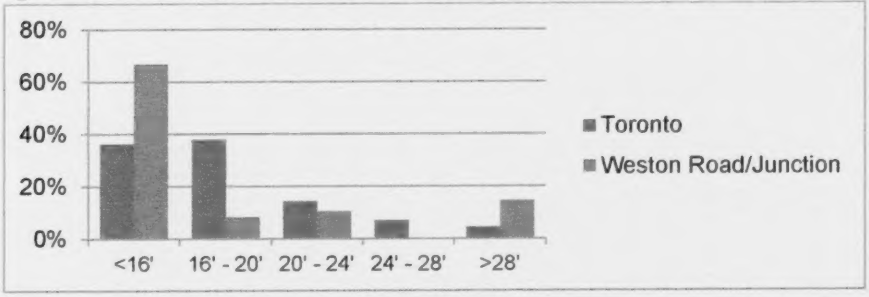


Figure D.5.11: Built Year for Industrial Space in the Weston Road / Junction Employment District, 2011

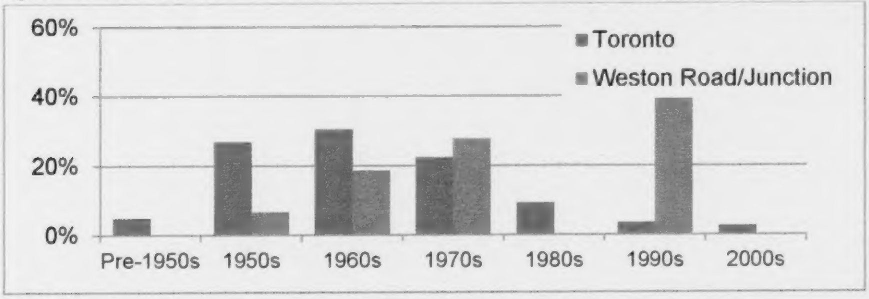
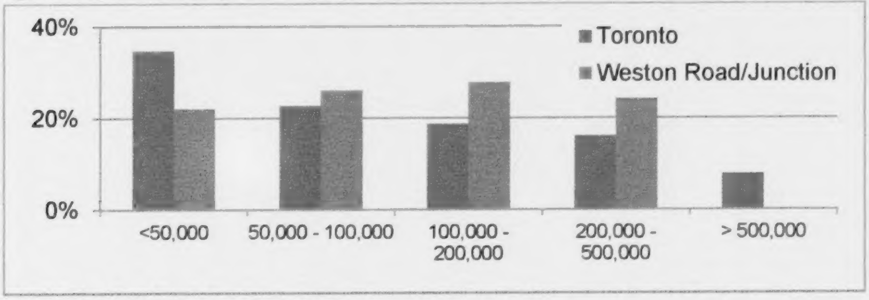
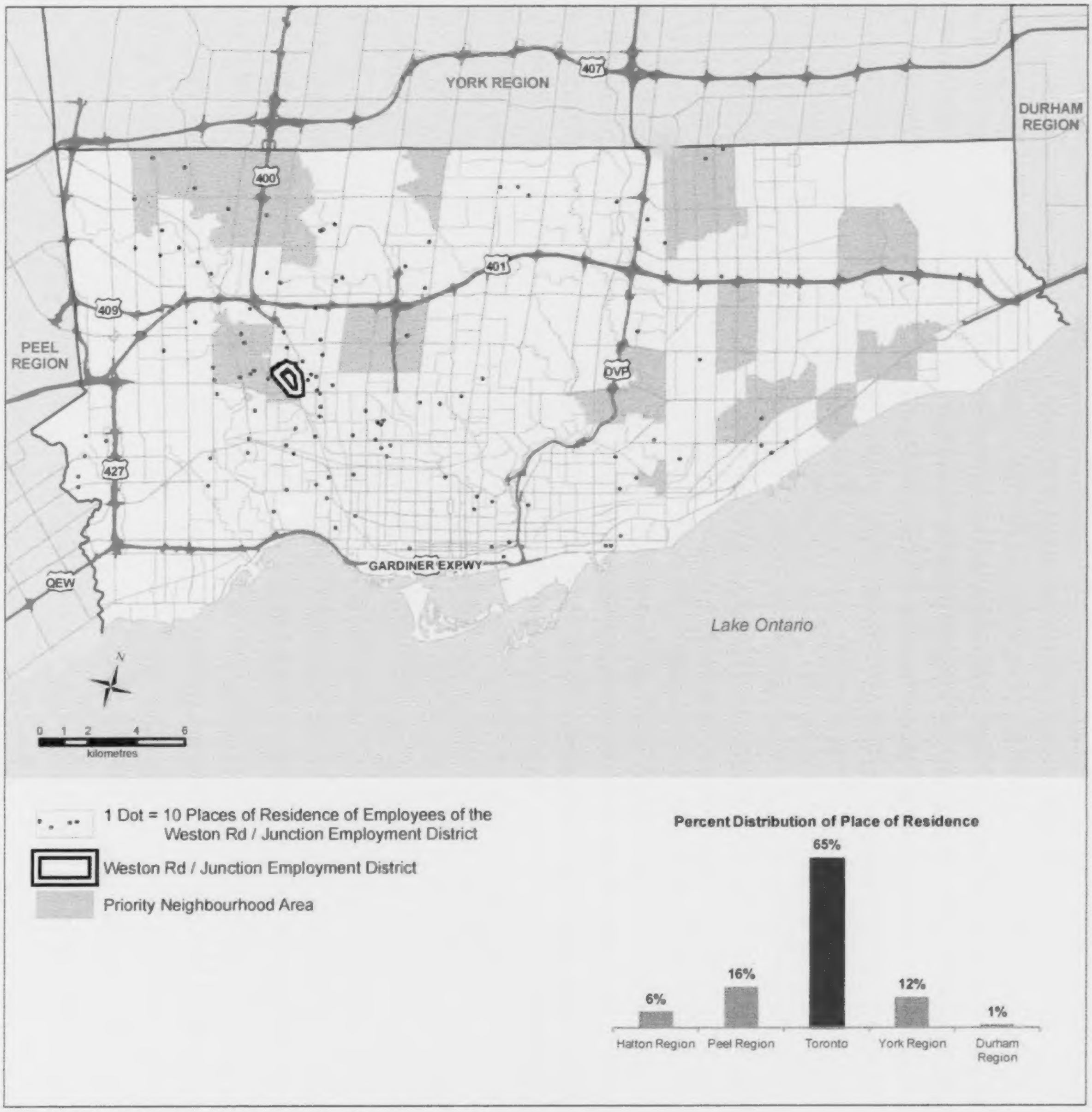


Figure D.5.12: Building Size for Industrial Space in the Weston Road / Junction Employment District, 2011



Source: C&W, 2011 Q4

Figure D.5.13: Distribution of Place of Residence for Employment in the Weston Road / Junction Employment District, 2006


YORK REGION
DURHAM REGION
PEEL REGION
407
400
401
409
427
DVP
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Weston Rd / Junction Employment District
Weston Rd / Junction Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
6%
16%
65%
12%
1%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.6 Liberty Employment District

The Liberty Employment District is the City's second smallest district geographically. It is located in the south area of Toronto, just west of the Downtown core. Its boundaries include Bathurst St. to the east, Dufferin St. to the west, King St. to the north, and the rail corridor to the south. In 2011, the district employed 8,137 people, predominantly the Office sector.

Key Facts:

- ***The Liberty Employment District employed 8,137 people in 2011, a 24.2% increase from 2006 and a 13.8% increase from 2001;***
- ***It supported 0.6% of the City's employment in 2011, and 0.51% of its non-residential assessment;***
- ***The District had $6 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Service (446%) and Retail (170%) sectors, with a 84% decline in its Institutional employment;***
- ***New establishment growth was concentrated in the Retail and Service sectors. Manufacturing, establishments declined by 47%;***
- ***With a net occupied land base of 38.4 ha, there is 4 million sq. ft. of industrial building space with an average vacancy rate of 1.9% in 2011;***
- ***Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The District has access from Dufferin, King and Bathurst Streets. It is served by edge arterial and internal bus routes;***
- ***Of persons living in the GTAH, residents of Toronto hold 73% of the jobs located in the District.***

Figure D.6.1: Profile Data for the Liberty Employment District, 2001, 2006 and 2011

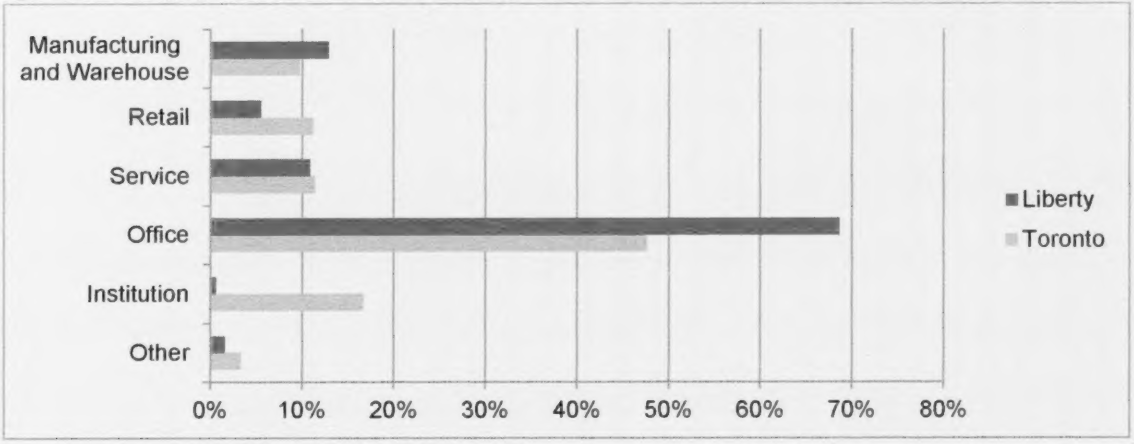
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	48.6	-	0.4%
Vacant Area (Ha)	-	-	10.2	-	1.1%
Vacant Area (% of Net)	-	-	21.0%	-	-
Employment (Total PT & FT)	7,153	6,550	8,137	13.8%	0.6%
No. of Establishments	487	411	63	6.0%	0.7%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	81%, 10%, 5%, 2%, 2%	77%, 12%, 5%, 2%, 3%	73%, 16%, 5%, 4%, 2%	-	-
Industrial Inventory (sq ft)	-	-	4,052,305	-	1.5%
Industrial Vacancy Rate	-	-	1.9%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$7.86	-	-
Total Non Res. Assessment	$68,638,415	-	$411,077,322	2.0x	0.5%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

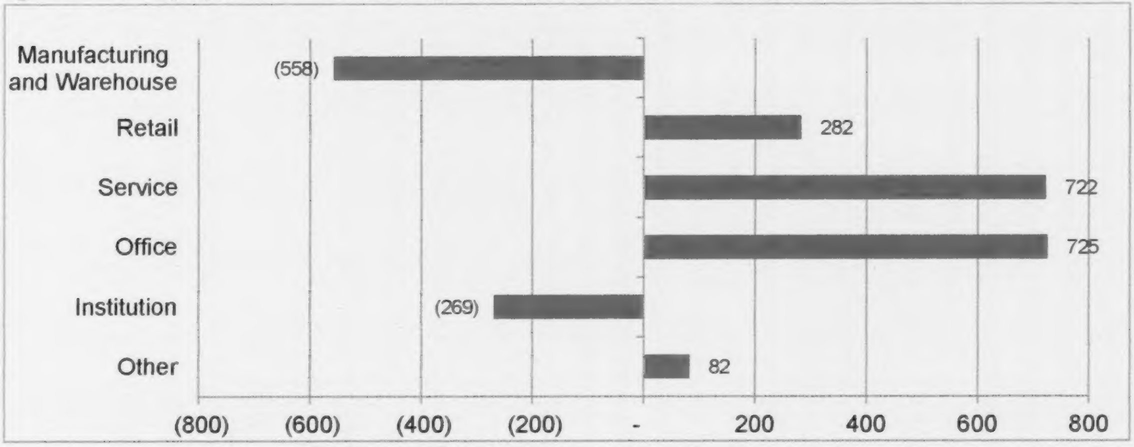
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.6.2: Employment Structure (% Distribution) in the Liberty Employment District by Major Sector, 2011



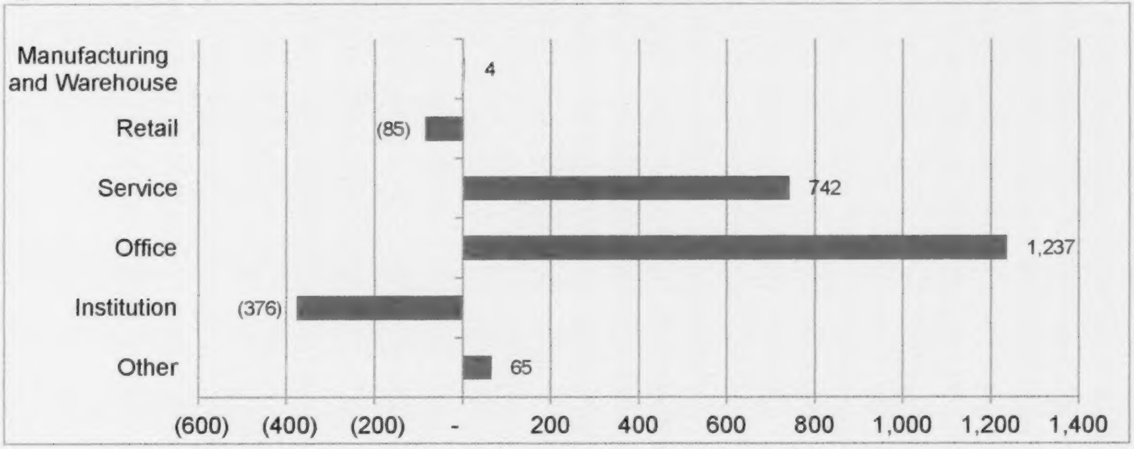
Source: City of Toronto Employment Survey, 2011

Figure D.6.3: Employment Growth in the Liberty Employment District by Major Sector, 2001 to 2011



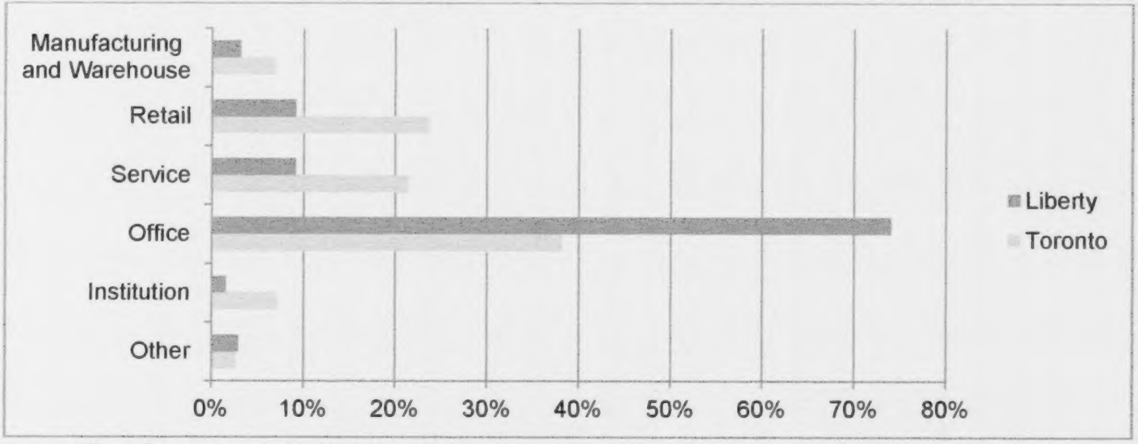
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.6.4: Employment Growth in the Liberty Employment District by Major Sector, 2006 to 2011



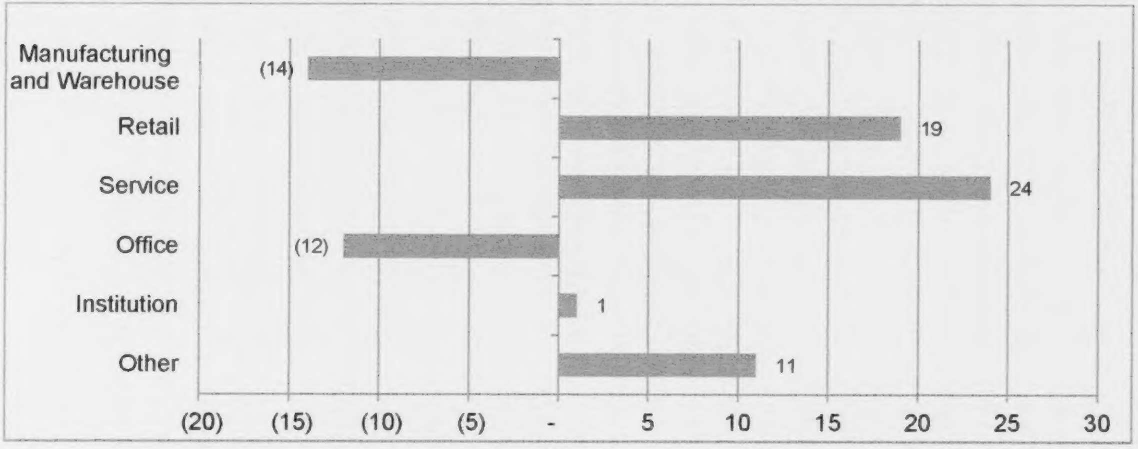
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.6.5: Establishment Structure (% Distribution) in the Liberty Employment District by Major Sector, 2011



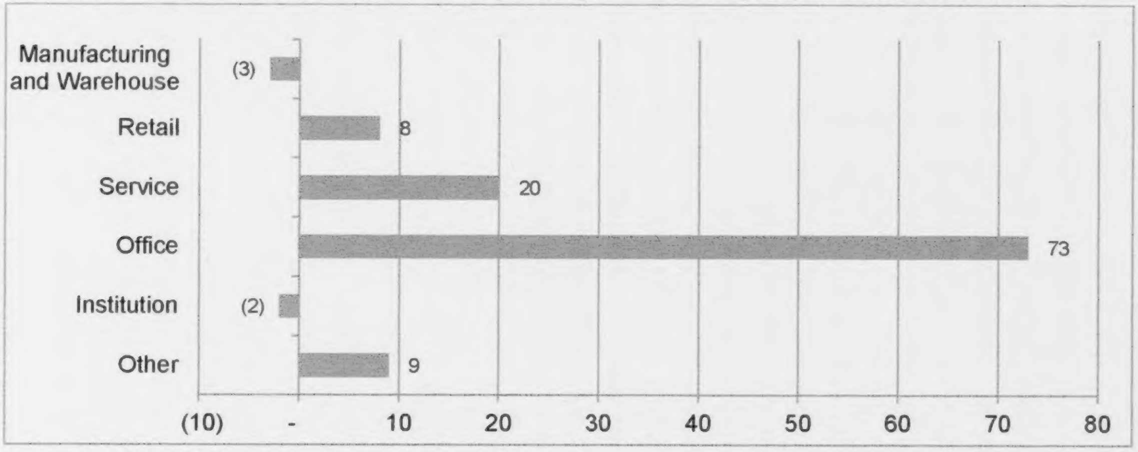
Source: City of Toronto Employment Survey, 2011

Figure D.6.6: Establishment Growth in the Liberty Employment District by Major Sector, 2001 to 2011



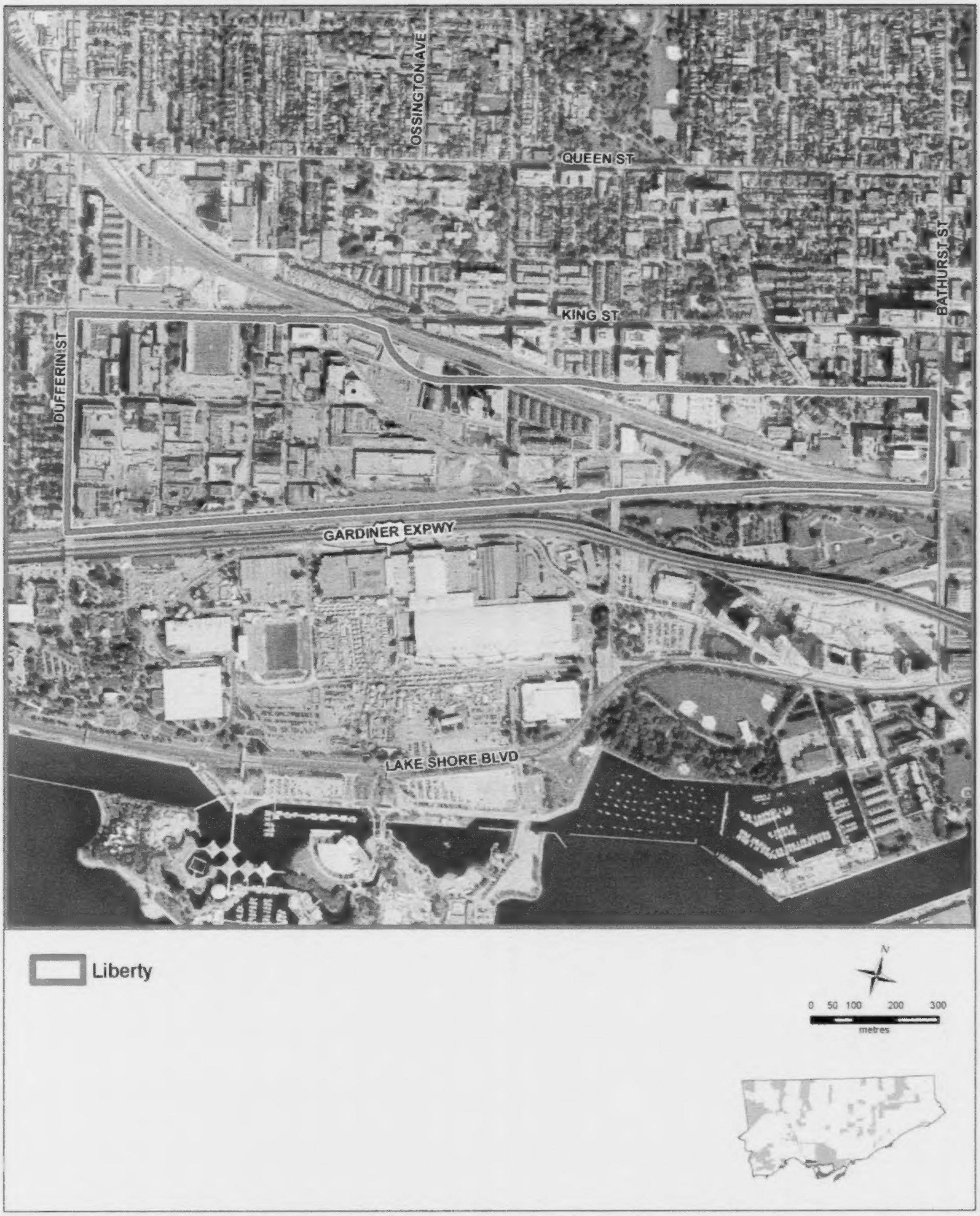
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.6.7: Establishment Growth in the Liberty Employment District by Major Sector, 2006 to 2011



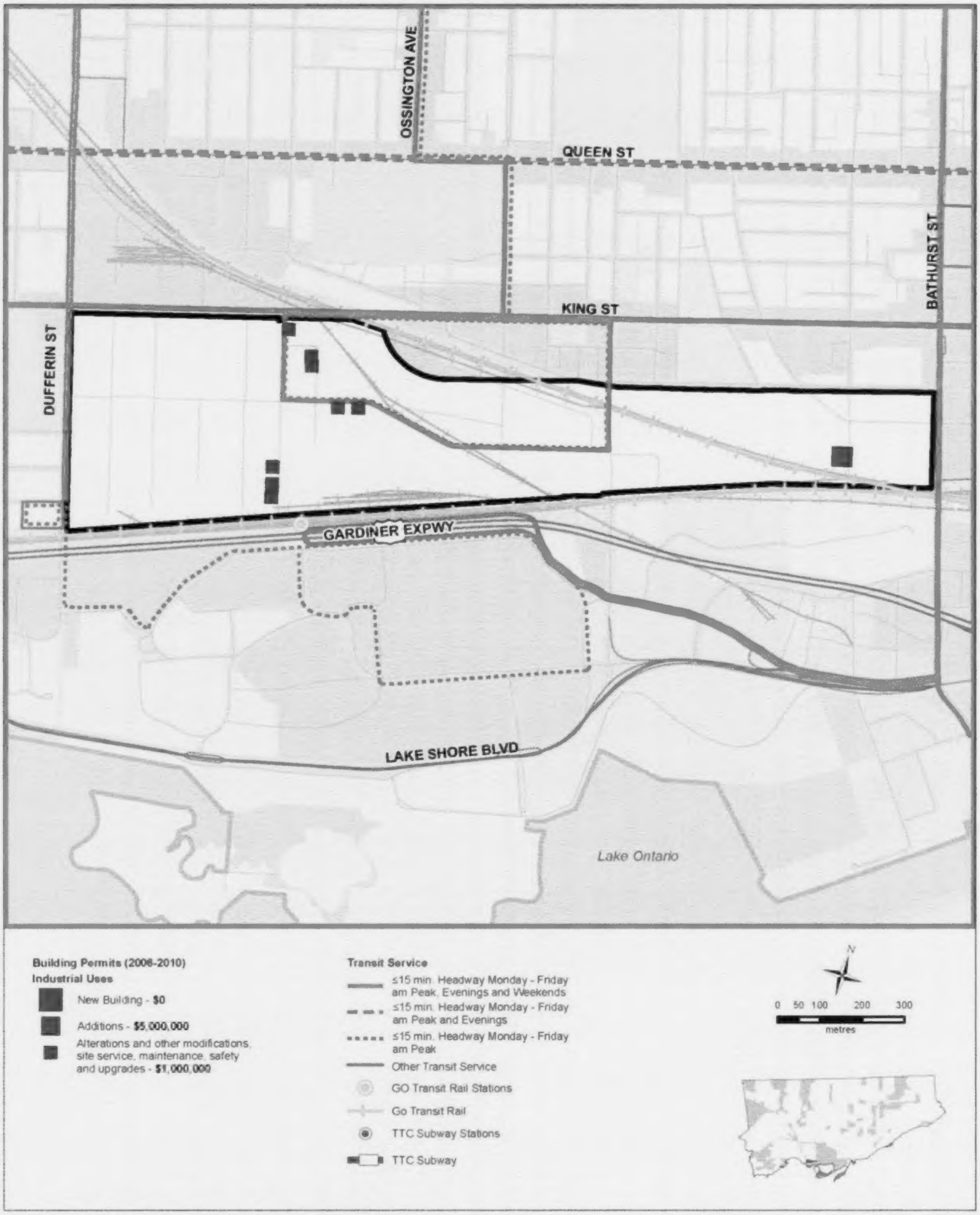
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.6.8: Extent and Character of the Liberty Employment District


OSSINGTON AVE
QUEEN ST
BATHURST ST
KING ST
DUFFERIN ST
GARDINER EXPWY
LAKE SHORE BLVD
Liberty
N
0 50 100 200 300
metres

Source: 2012 Google Earth; © 2012 Digital Globe; © 2012 TerraMetrics

Figure D.6.9: Industrial Re-investment and Transit Services in the Liberty Employment District, 2006-2010


OSSINGTON AVE
QUEEN ST
BATHURST ST
KING ST
DUFFERIN ST
GARDINER EXPWY
LAKE SHORE BLVD
Lake Ontario
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $5,000,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $1,000,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 50 100 200 300
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.6.10: Average Ceiling Height for Industrial Space in the Liberty Employment District, 2011

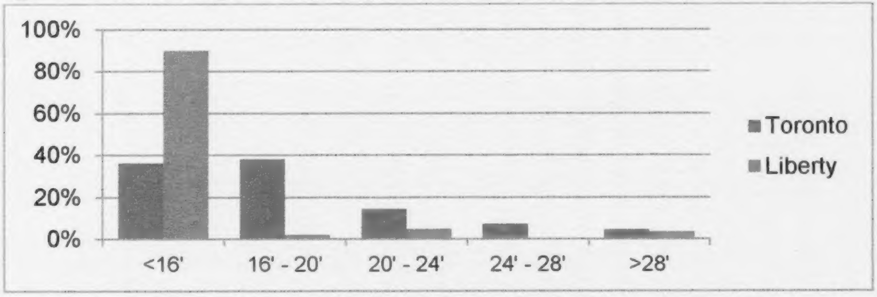


Figure D.6.11: Built Year for Industrial Space in the Liberty Employment District, 2011

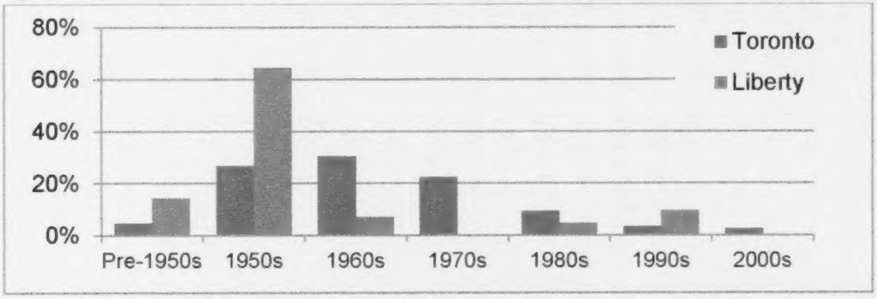
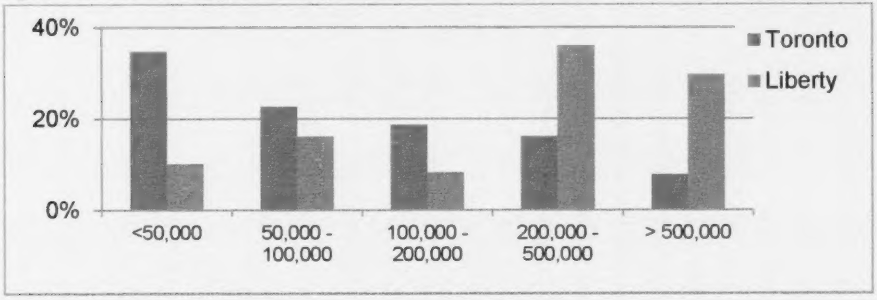
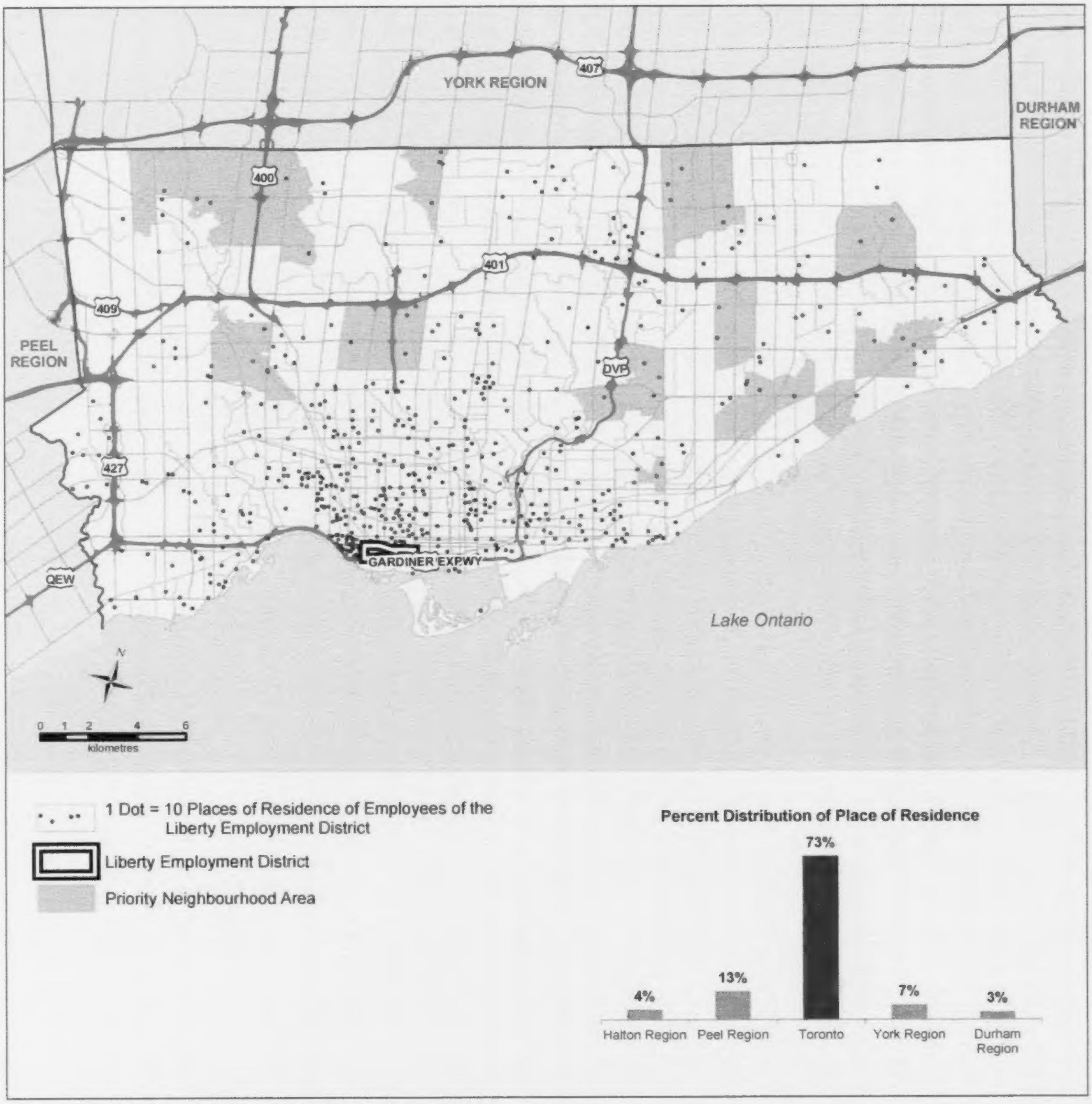


Figure D.6.12: Average Building Size for Industrial Space in the Liberty Employment District, 2011



Source: C&W, 2011 Q4

Figure D.6.13: Distribution of Place of Residence for Employment in the Liberty Employment District, 2006


407
YORK REGION
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Liberty Employment District
Liberty Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
4%
Halton Region
13%
Peel Region
73%
Toronto
7%
York Region
3%
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.7 South of Eastern Employment District

The South of Eastern Employment District is located in the south end of Toronto, just east of the Don Valley Parkway. Its boundaries include Woodbine Park to the east, the Don Valley Parkway to the west, Eastern Ave. to the north, and Lakeshore Boulevard to the south. In 2011, the district employed 3,915 people, a large portion of which were within Manufacturing and Warehousing businesses.

Key Facts:

- *The South of Eastern District employed 3,915 people in 2011, a 44.8% decline from 2006 and a 42.7% decline from 2001;*
- *It supported less than 1% of the City's employment in 2011, and 0.26% of its non-residential assessment;*
- *The District had $610,000 in industrial building permit values between 2006 and 2010;*
- *Employment growth (2001 – 2011) occurred in its Retail (56%) sector, while there was a 61% decline in its Office employment, 53% decline in its Institutional employment, 40% decline in Manufacturing employment, and 29% decline in Service employment;*
- *New establishment growth was concentrated in the Retail sector, with a decline in establishments in the Manufacturing, Service and Office sectors;*
- *With a net occupied land base of 58.5 ha, there is 2.1 million sq. ft. of industrial building space with an average vacancy rate of 1.9% in 2011;*
- *Most built industrial space dates to the pre-1950's and 1950's, concentrated in buildings with clear ceiling heights less than 16 feet;*
- *The District has access from Eastern Avenues and Lakeshore Boulevard, and is adjacent to the Gardiner Expressway and a GO rail line. It is served by bus transit on its north-south arterials, and is a block south of the Queen Street streetcar route;*
- *Of persons living in the GTAH, residents of Toronto hold 56% of the jobs located in the District.*

Figure D.7.1: Profile Data for the South of Eastern Employment District, 2001, 2006 and 2011

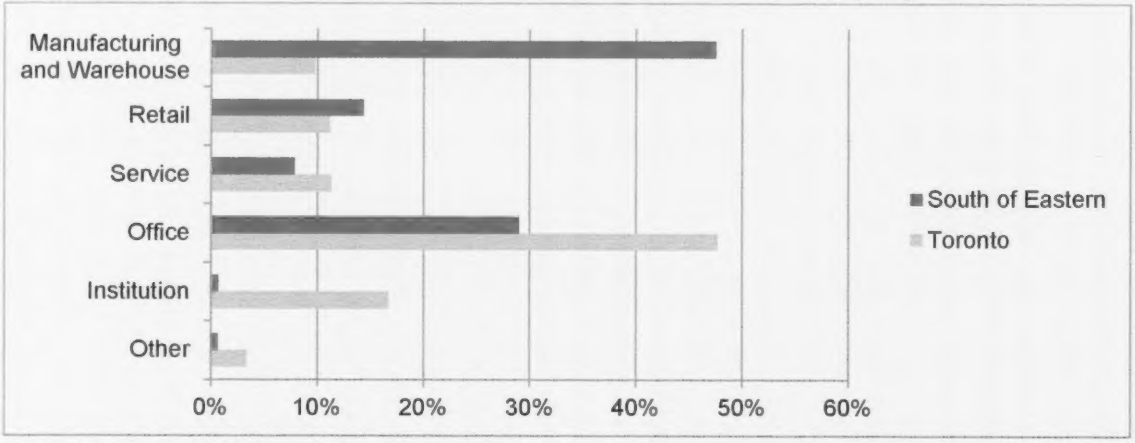
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	69.1	-	0.6%
Vacant Area (Ha)	-	-	10.6	-	1.2%
Vacant Area (% of Net)	-	-	15.3%	-	-
Employment (Total PT & FT)	6,832	7,095	3,915	-42.7%	0.3%
No. of Establishments	138	116	124	-10.1%	0.2%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	65%, 13%, 9%, 7%, 7%	62%, 16%, 4%, 5%, 12%	73%, 10%, 9%, 4%, 5%	-	-
Industrial Inventory (sq.ft)	-	-	2,085,832	-	0.8%
Industrial Vacancy Rate	-	-	1.9%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$7.86	-	-
Total Non Res. Assessment ($)	$57,695,680	-	$208,160,890	1.02x	0.3%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

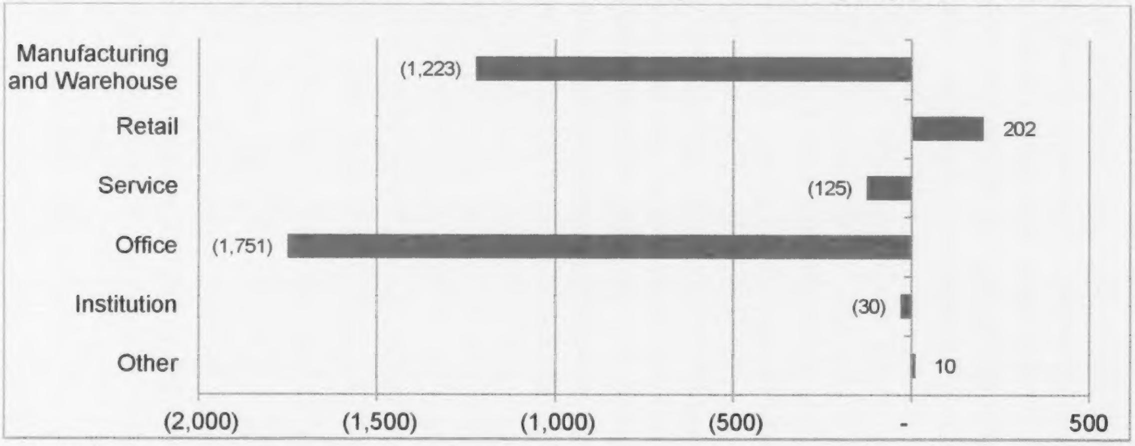
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.7.2: Employment Structure (% Distribution) in the South of Eastern District by Major Sector, 2011



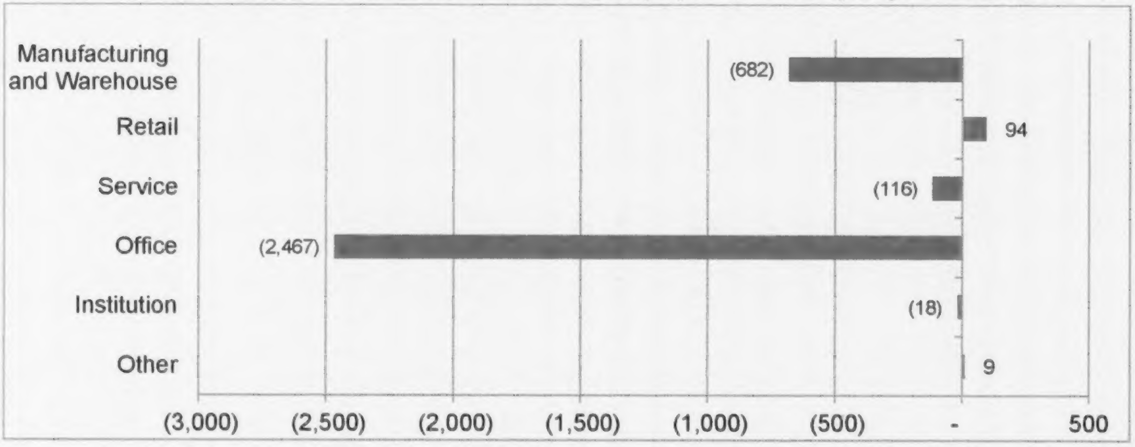
Source: City of Toronto Employment Survey, 2011

Figure D.7.3: Employment Growth in the South of Eastern y Employment District by Major Sector, 2001 to 2011



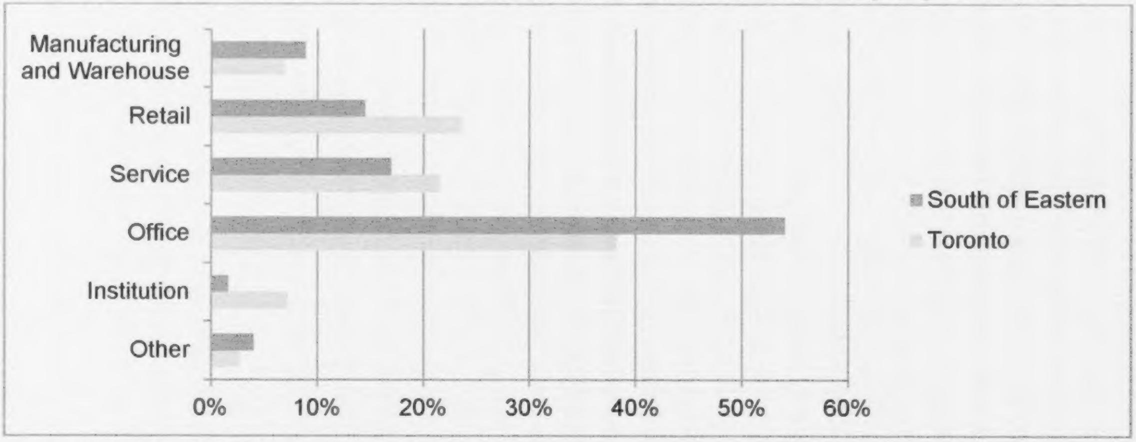
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.7.4: Employment Growth in the South of Eastern y Employment District by Major Sector, 2006 to 2011



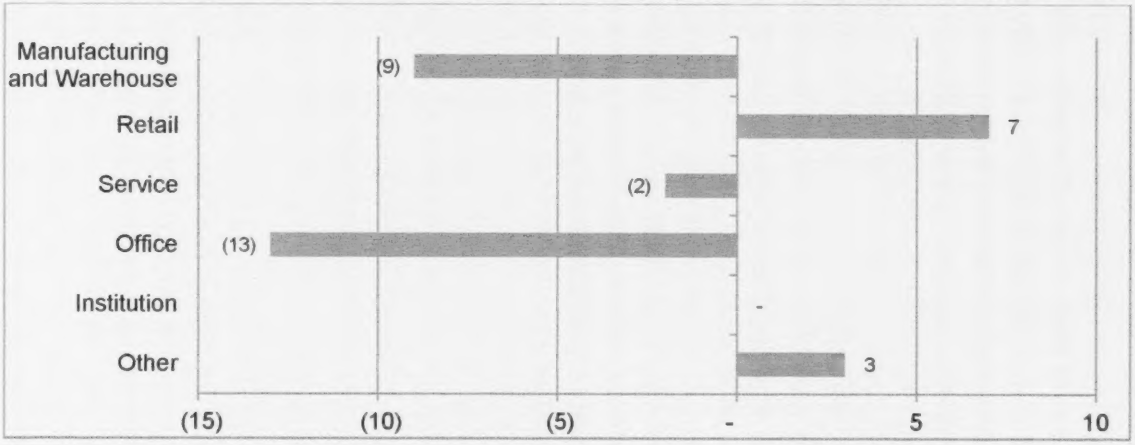
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.7.5: Establishment Structure (% Distribution) in the South of Eastern District by Major Sector, 2011



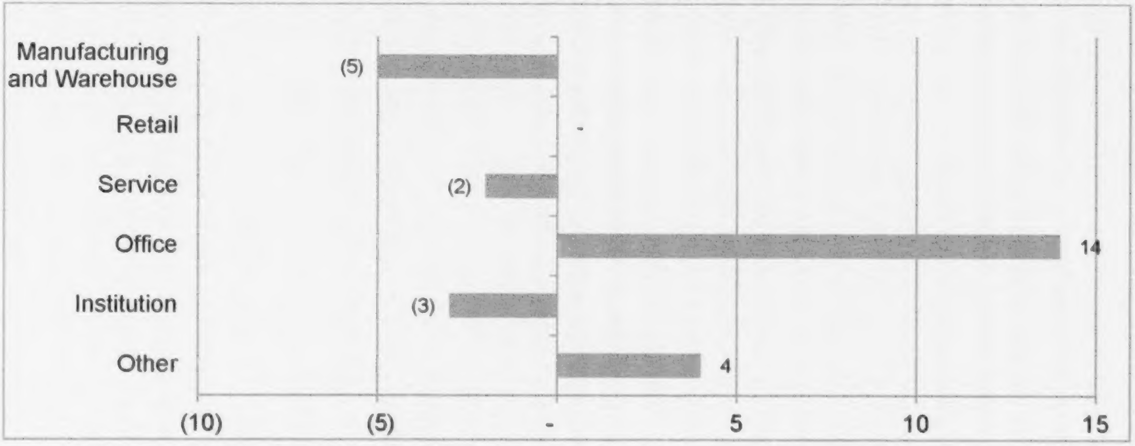
Source: City of Toronto Employment Survey, 2011

Figure D.7.6: Establishment Growth in the South of Eastern Employment District by Major Sector, 2001 to 2011



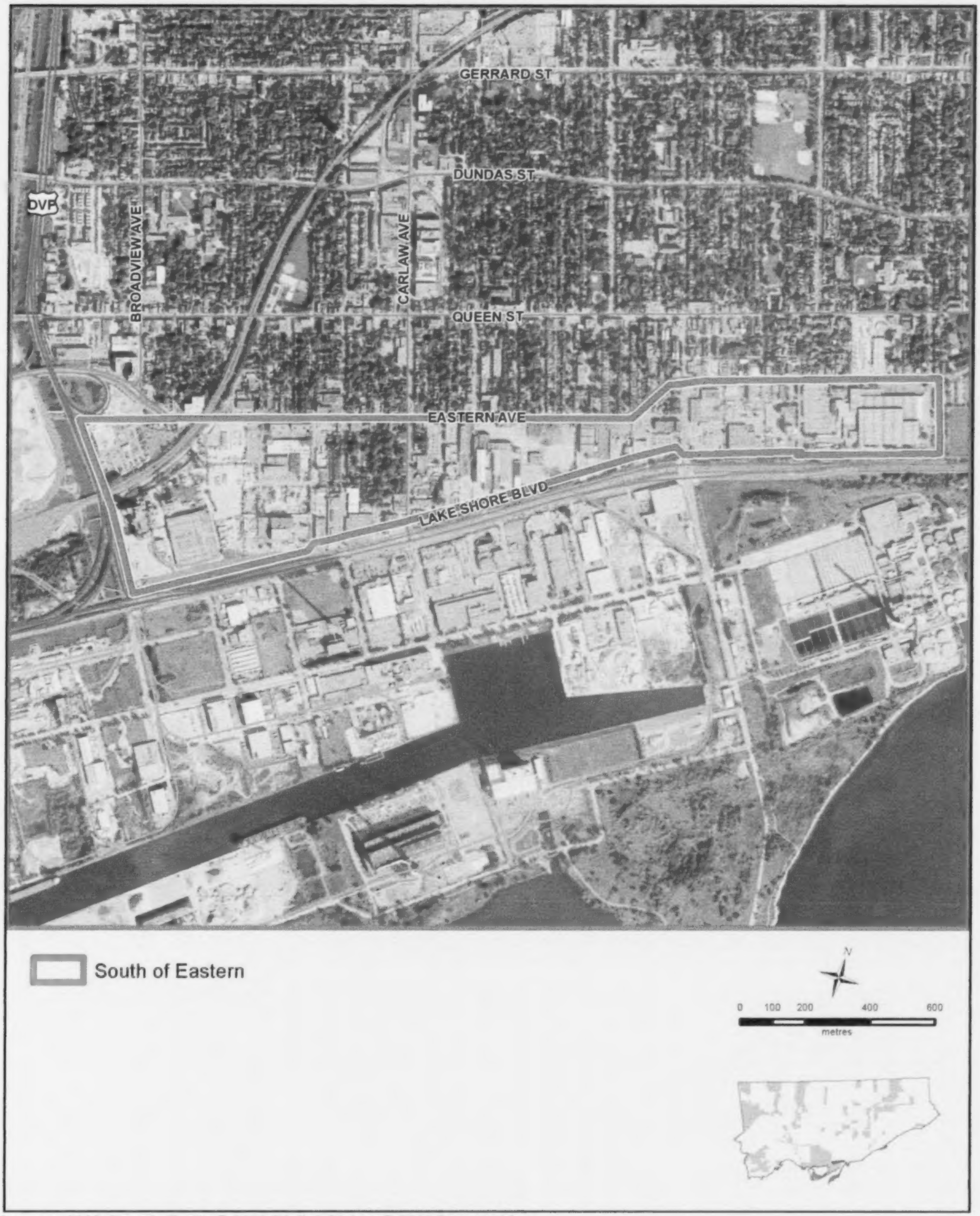
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.7.7: Establishment Growth in the South of Eastern Employment District by Major Sector, 2006 to 2011



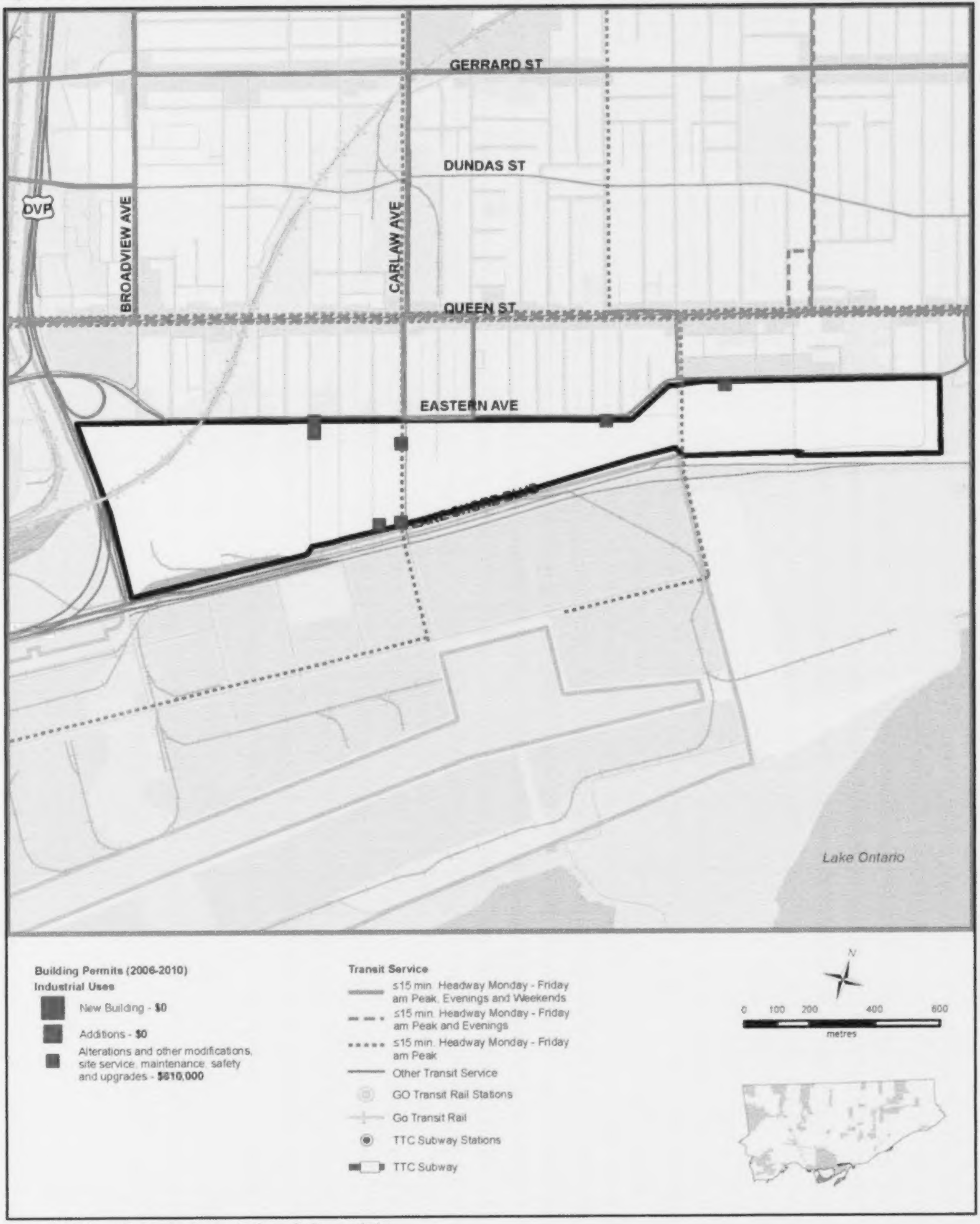
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.7.8: Extent and Character of the South of Eastern Employment District


GERRARD ST
DUNDAS ST
DVP
BROADVIEW AVE
CARLAW AVE
QUEEN ST
EASTERN AVE
LAKE SHORE BLVD
South of Eastern
N
0 100 200 400 600
metres

Source: 2012 Google Earth; © 2012 Digital Globe; © 2012 TerraMetrics

Figure D.7.9: Industrial Re-investment and Transit Services in the South of Eastern Employment District, 2006-2010


GERRARD ST
DUNDAS ST
DVP
BROADVIEW AVE
CARLAW AVE
QUEEN ST
EASTERN AVE
LAKE SHORE BLVD
Lake Ontario
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $810,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 100 200 400 600
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.7.10: Ceiling Height for Industrial Space in the South of Eastern Employment District, 2011

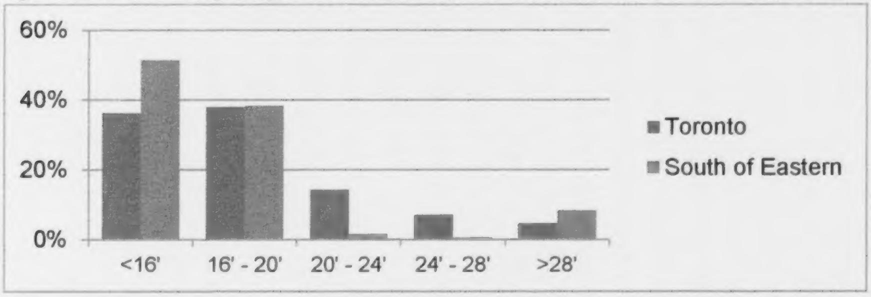


Figure D.7.11: Built Year for Industrial Space in the South of Eastern Employment District, 2011

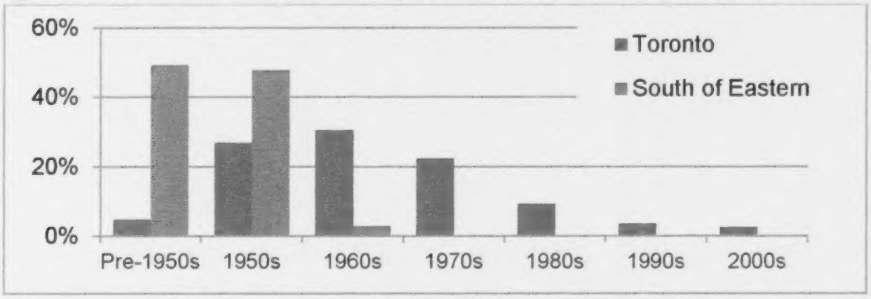
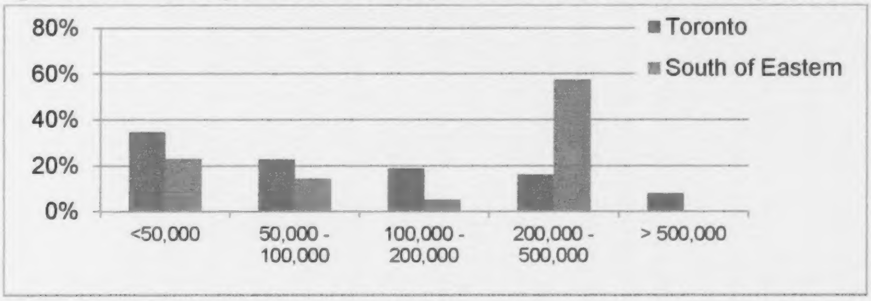


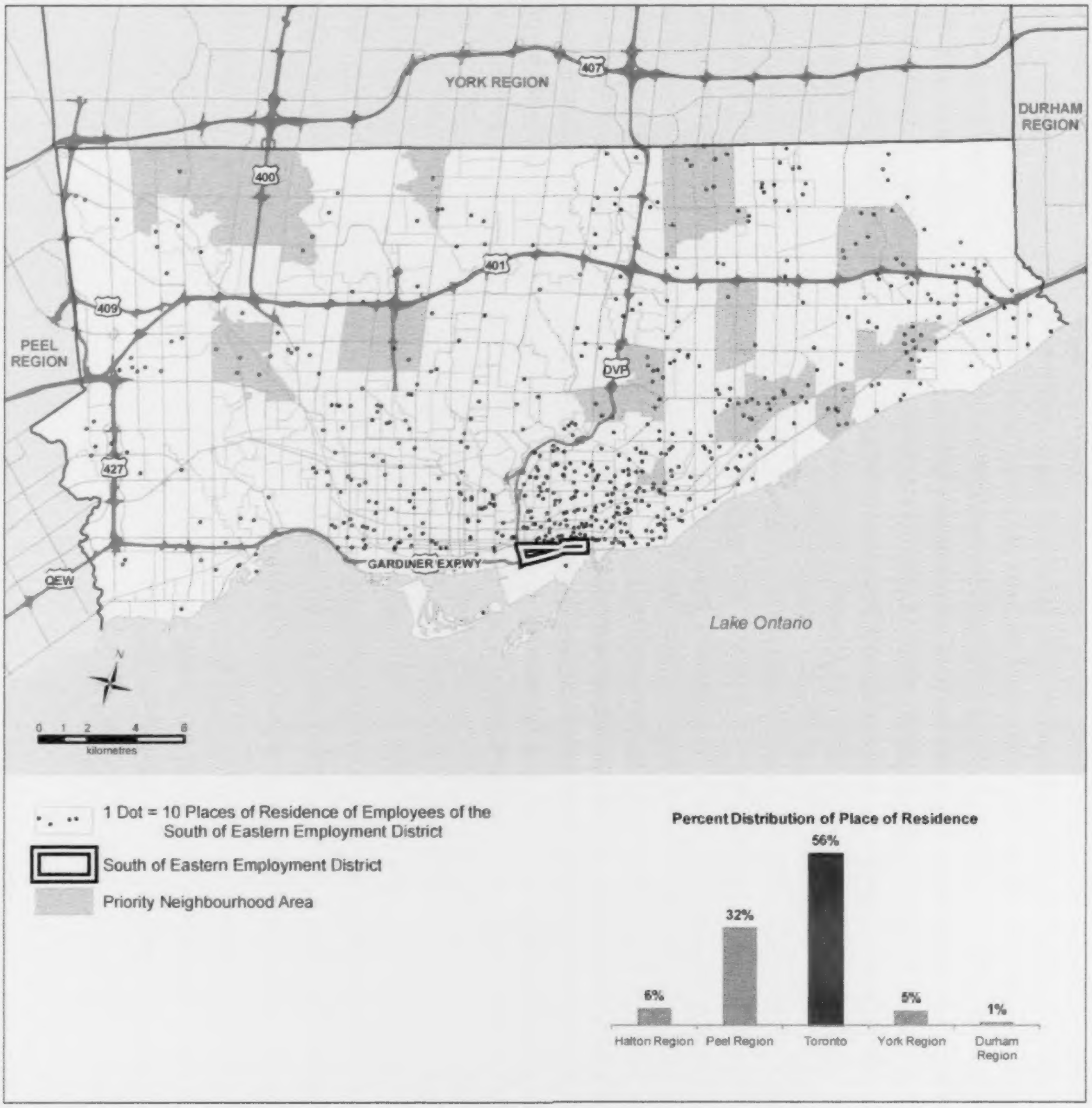
Figure D.7.12: Building Size for Industrial Space in the South of Eastern Employment District, 2011



Source: C&W, 2011 Q4

APPENDIX 3 D.7

Figure D.7.13: Distribution of Place of Residence for Employment in the South of Eastern Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the South of Eastern Employment District
South of Eastern Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
6%
32%
56%
5%
1%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.8 Dufferin Keele North Employment District

The Dufferin Keele North Employment District is the third largest district with regards to employment and is located in the northwest end of Toronto. The district is bound by Dufferin St. to the east, Keele St. to the west, Steeles Ave. to the North and Sheppard Ave. to the south. In 2011, the district employed 33,092 people, primarily within the Office sector followed by Manufacturing and Warehousing.

Key Facts:

- ***The Dufferin Keele North District employed 33,092 people in 2011, a 8.2% increase from 2006 and a 6.4% increase from 2001;***
- ***It supported 2.5% of the City's employment in 2011, but 2.02% of its non-residential assessment;***
- ***The District had $65.5 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred across all sectors except Manufacturing and Warehouse, which declined by 28%, with a growth of 55% in Institutional, 40% in Office and 9% in Retail sectors.***
- ***New establishment growth was concentrated in the Institutional, Office, and Service sectors, and declined in the Retail and Manufacturing sectors;***
- ***With a net occupied land base of 566.4 ha, there is 17.8 million sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;***
- ***This District is the fifth largest in terms of total industrial inventory (in square footage terms). It accounts for approximately 6.5% of the City of Toronto's total industrial inventory.***
- ***Most built industrial space dates to the 1970's, concentrated in buildings with clear ceiling heights between 16 to 20 feet;***
- ***The District is accessed by Steeles, Finch and Sheppard Avenues and bounded on the east and west by Dufferin and Keele Streets. It is served by edge arterial and internal transit routes and is a short distance from the Downsview subway station on the Spadina subway line;***
- ***Of persons living in the GTAH, residents of Toronto hold 62% of the jobs located in the District.***

Figure D.8.1: Profile Data for the Dufferin Keele North Employment District, 2001, 2006 and 2011

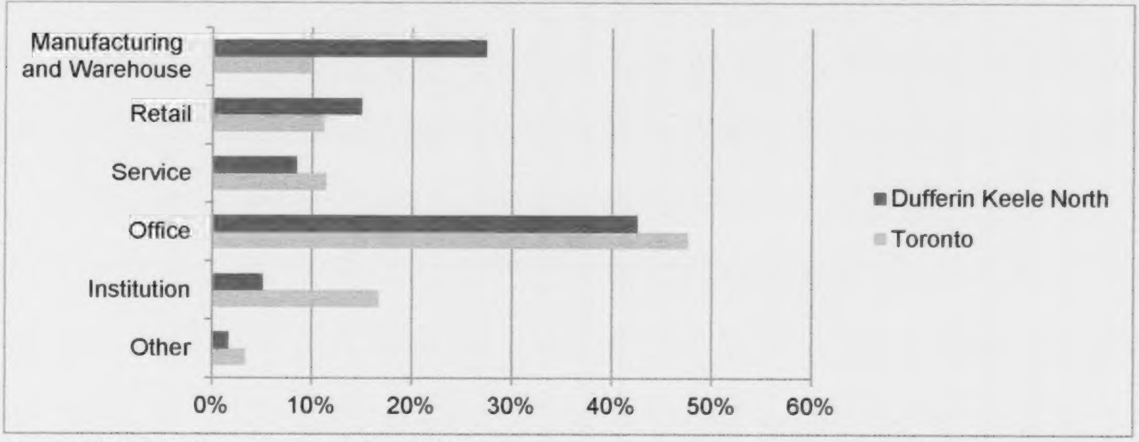
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	586.9	-	5.2%
Vacant Area (Ha)	-	-	20.5	-	2.2%
Vacant Area (% of Net)	-	-	3.5%	-	-
Employment (Total PT & FT)	31,091	30,585	33,092	6.4%	2.5%
No. of Establishments	2,203	2,296	2,521	14.4%	3.4%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	78%, 11%, 6%, 3%, 2%	76%, 13%, 5%, 3%, 2%	80%, 11%, 5%, 2%, 2%	-	-
Industrial Inventory (sq.ft)	-	-	17,822,478	-	6.6%
Industrial Vacancy Rate	-	-	3.5%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.24	-	-
Total Non Res. Assessment ($)	$719,996,384	-	$1,622,319,518	0.5x	2.02%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

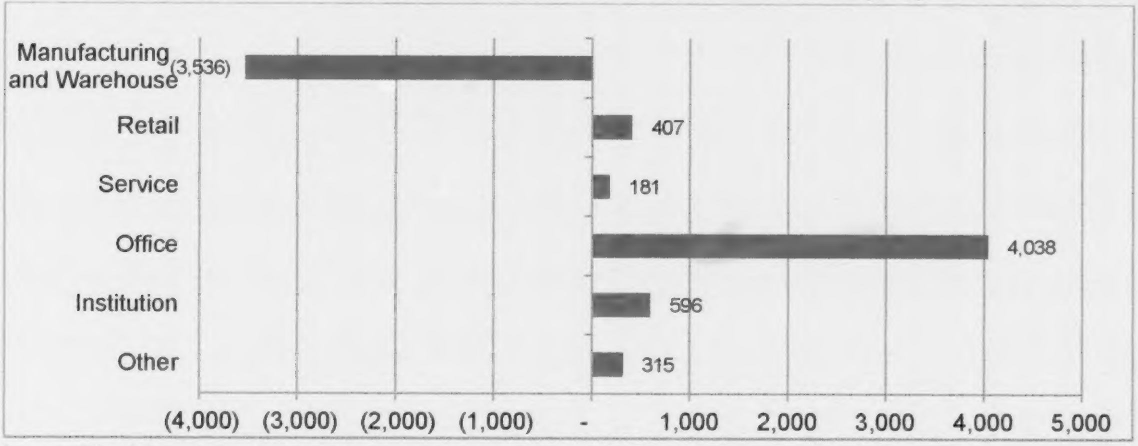
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.8.2: Employment Structure (% Distribution) in the Dufferin Keele North District by Major Sector, 2011



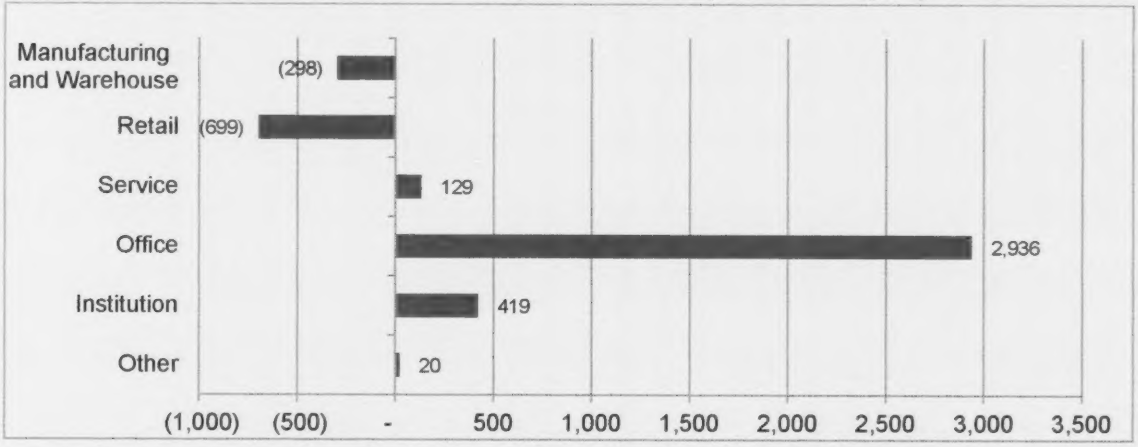
Source: City of Toronto Employment Survey, 2011

Figure D.8.3: Employment Growth in the Dufferin Keele North Employment District by Major Sector, 2001 to 2011



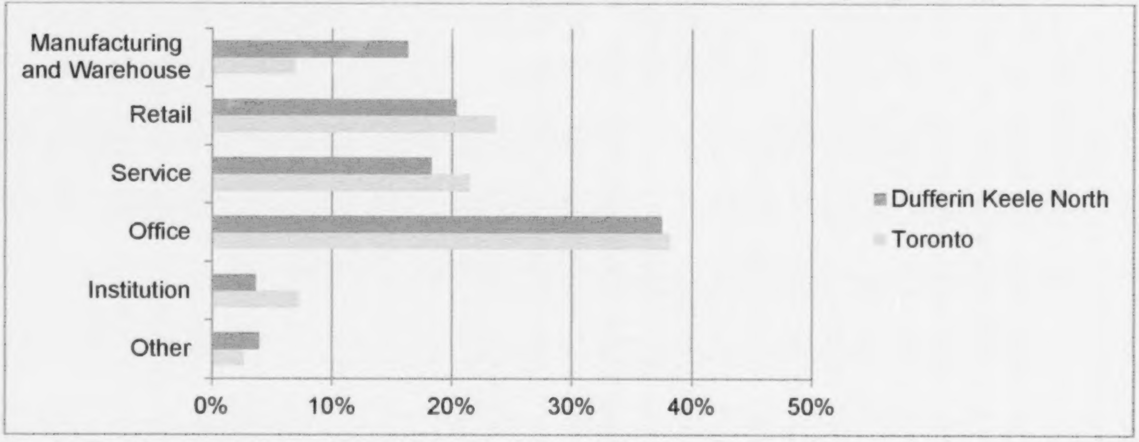
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.8.4: Employment Growth in the Dufferin Keele North Employment District by Major Sector, 2006 to 2011



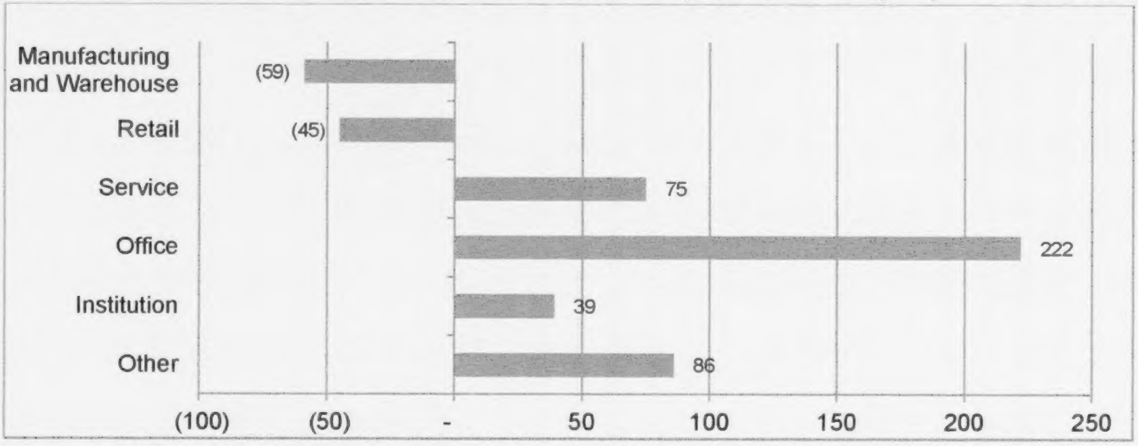
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.8.5: Establishment Structure (% Distribution) in the Dufferin Keele North by Major Sector, 2011



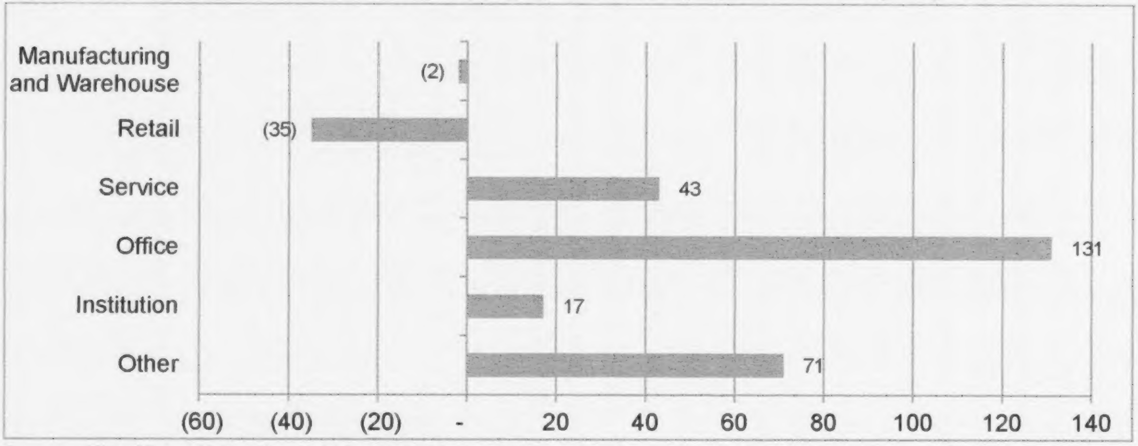
Source: City of Toronto Employment Survey, 2011

Figure D.8.6: Establishment Growth in the Dufferin Keele North Employment District by Major Sector, 2001 to 2011



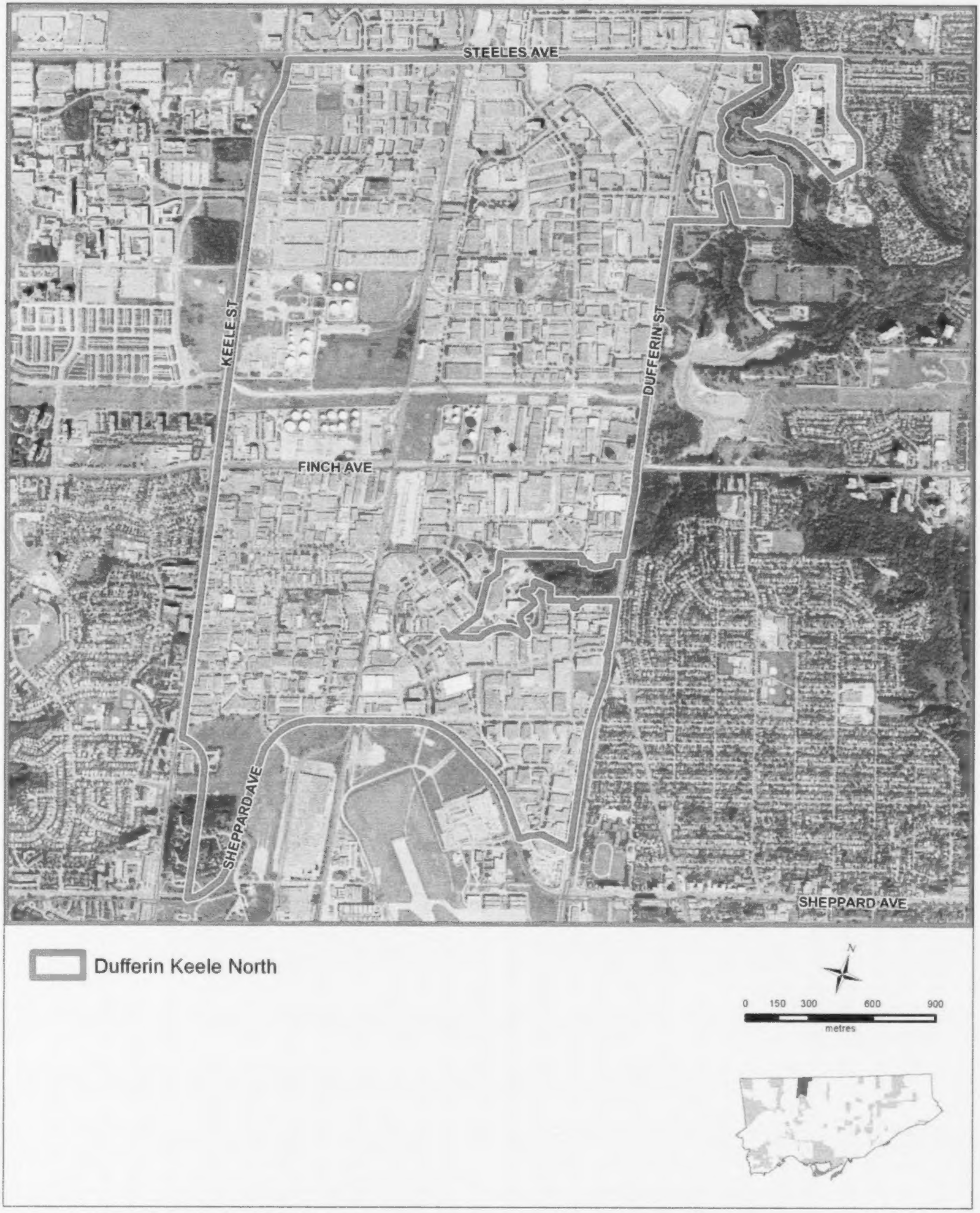
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.8.7: Establishment Growth in the Dufferin Keele North Employment District by Major Sector, 2006 to 2011



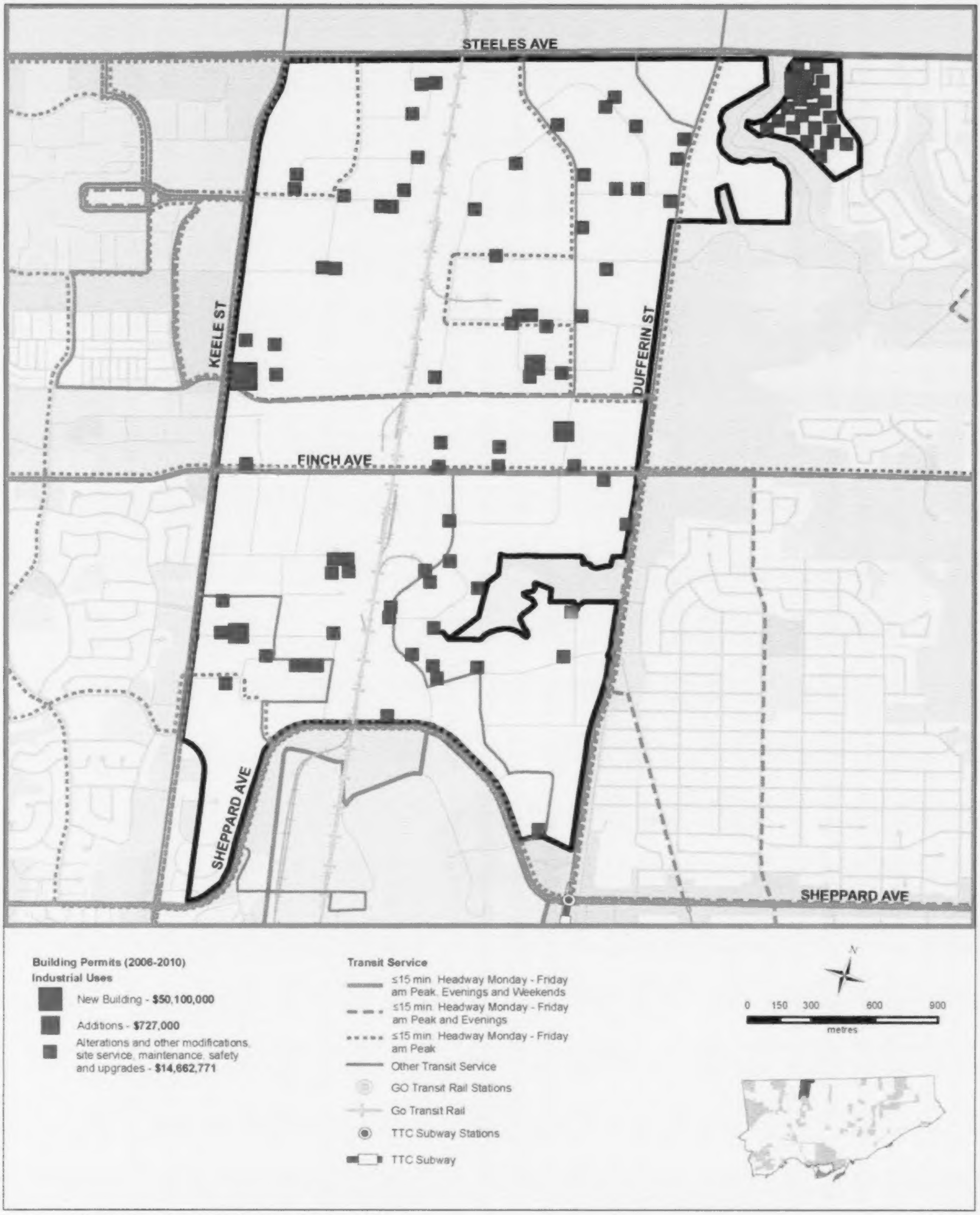
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.8.8: Extent and Character of the Dufferin Keele North Employment District


STEELES AVE
KEELE ST
DUFFERIN ST
FINCH AVE
SHEPPARD AVE
SHEPPARD AVE
Dufferin Keele North
N
0 150 300 600 900
metres

Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.8.9: Industrial Re-investment and Transit Services in the Dufferin Keele North Employment District, 2006-2010


STEELES AVE
KEELE ST
DUFFERIN ST
FINCH AVE
SHEPPARD AVE
SHEPPARD AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $50,100,000
Additions - $727,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $14,662,771
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0
150
300
600
900
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.8.10: Ceiling Height for Industrial Space in the Dufferin Keele North Employment District, 2011

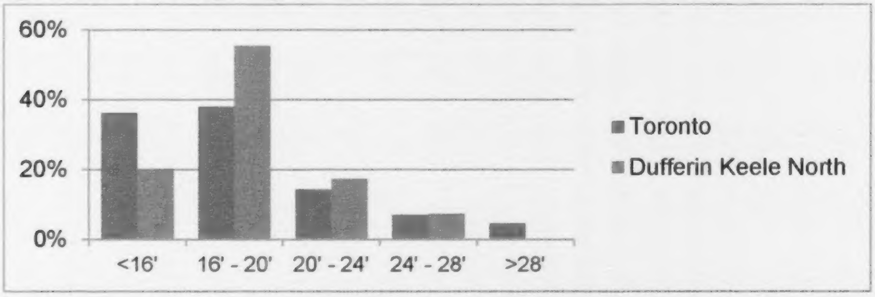


Figure D.8.11: Built Year for Industrial Space in the Dufferin Keele North Employment District, 2011

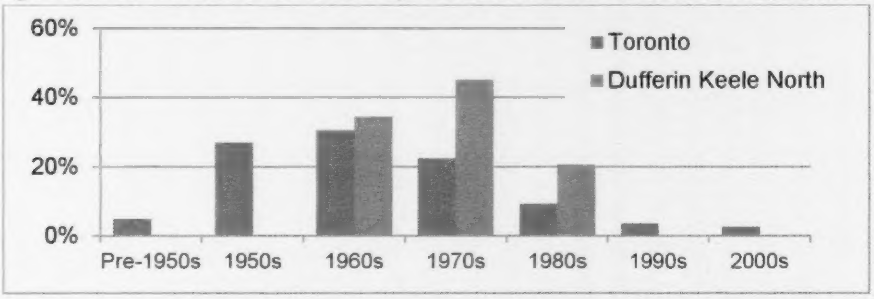
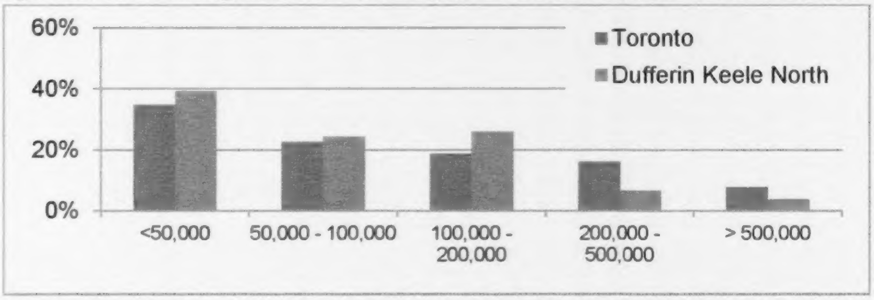
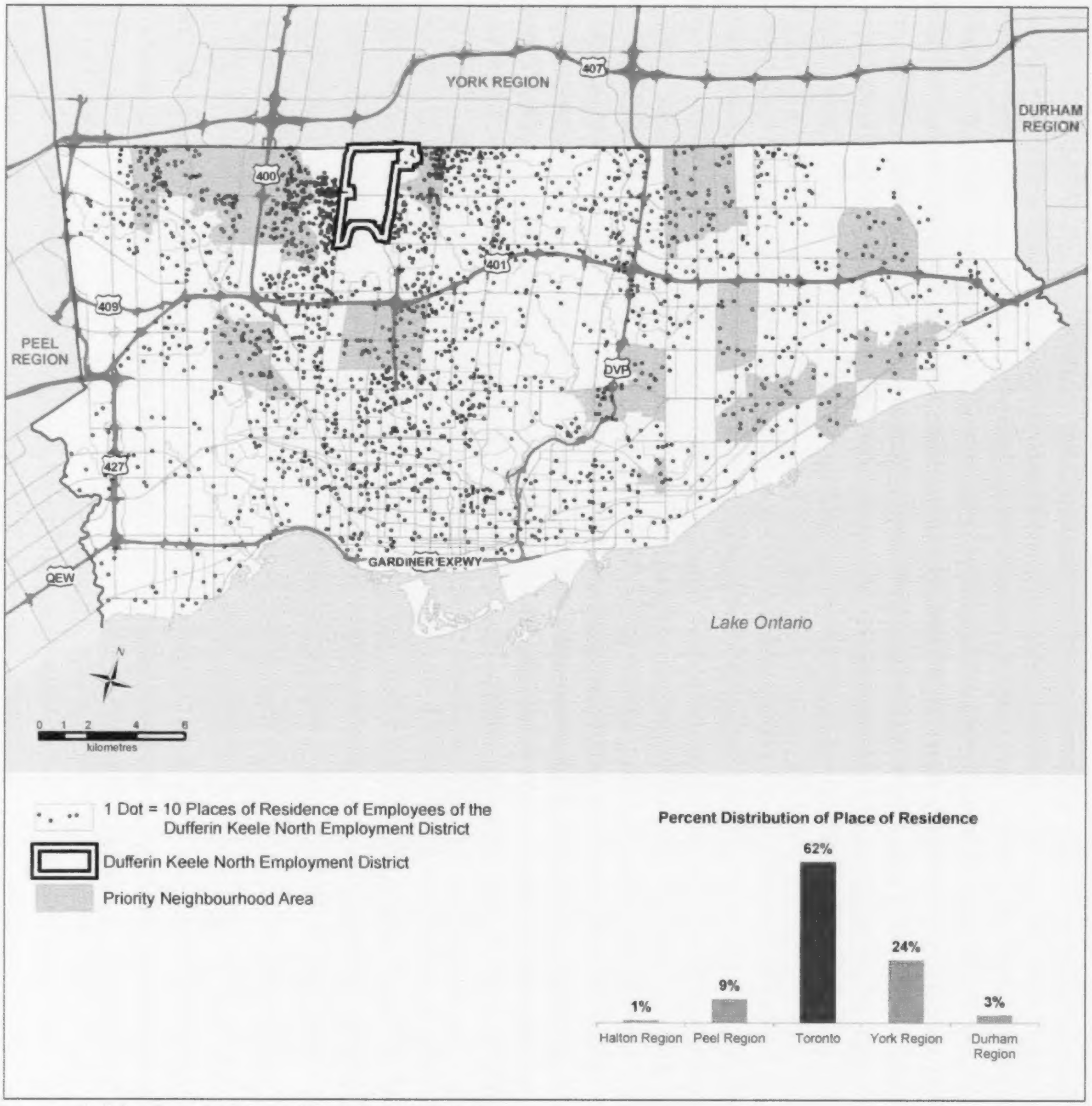


Figure D.8.12: Building Size for Industrial Space in the Dufferin Keele North Employment District, 2011



Source: C&W, 2011 Q4

Figure D.8.13: Distribution of Place of Residence for Employment in the Dufferin Keele North Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Dufferin Keele North Employment District
Dufferin Keele North Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
9%
62%
24%
3%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.9 Dufferin Keele South Employment District

The Dufferin Keele South Employment District is located in the northwest central area of Toronto, straddling the 401. It is bound by between Dufferin St. to the east, Keele St. to the west, Sheppard Ave. to the north and Eglinton Ave. to the south. In 2011, the district employed 24,899 people, predominantly within the Office sector followed by Manufacturing and Warehousing. It is home to the Bombardier facility in Downsview, and a number of retail warehouse operations south of the 401.

Key Facts:

- ***The Dufferin Keele South District employed 24,899 people in 2011, a 8.2% decline from 2006 and a 10.5% decline from 2001;***
- ***It supported 1.9% of the City's employment in 2011, and 1.43% of its non-residential assessment;***
- ***The District had $23.3 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Institutional (392%) and Retail (54%) sectors, with a 43% decline in its Manufacturing employment, and 20% decline in Office employment;***
- ***New establishment growth was concentrated in the Institutional, Office, and Retail sectors. In the Office sector, growth in establishments occurred despite an overall decline in office employment;***
- ***With a net occupied land base of 633.8 ha, there is 15.5 million sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;***
- ***Most built industrial space dates to the 1950's and 1960's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The District has access from Hwy 401 and the Allen Road, and Sheppard, Wilson and Lawrence Avenues, and is served by edge arterial and internal bus transit and, on its western perimeter, two stations on the Spadina subway line;***
- ***Of persons living in the GTAH, residents of Toronto hold 68% of the jobs located in the District.***

Figure D.9.1: Profile Data for the Dufferin Keele South Employment District, 2001, 2006 and 2011

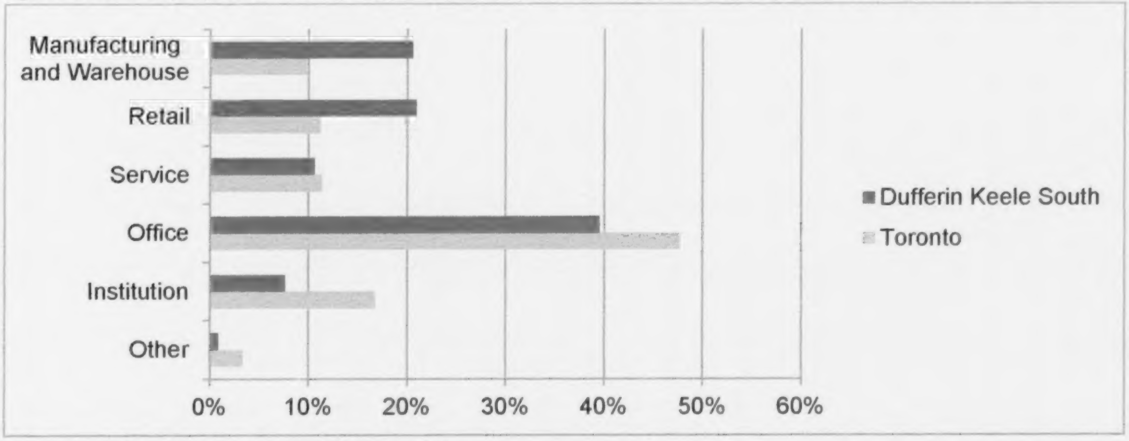
Variable	**2001**	**2006**	**2011**	**% Change 2001-2011**	**2011 % of City**
Area (Net Ha)	-	-	651.3	-	5.8%
Vacant Area (Ha)	-	-	17.5	-	1.9%
Vacant Area (% of Net)	-	-	2.7%	-	-
Employment (Total PT & FT)	27,824	27,114	24,899	-10.5%	1.9%
No. of Establishments	995	1,205	1,283	28.9%	1.7%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	65%, 18%, 9%, 5%, 4%	70%, 14%, 8%, 5%, 3%	73%, 15%, 6%, 3%, 3%	-	-
Industrial Inventory (sq.ft)	-	-	15,544,870	-	5.8%
Industrial Vacancy Rate	-	-	3.5%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.24	-	-
Total Non Res. Assessment ($)	$328,878,815	-	$1,145,701,504	1.0x	1.4%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

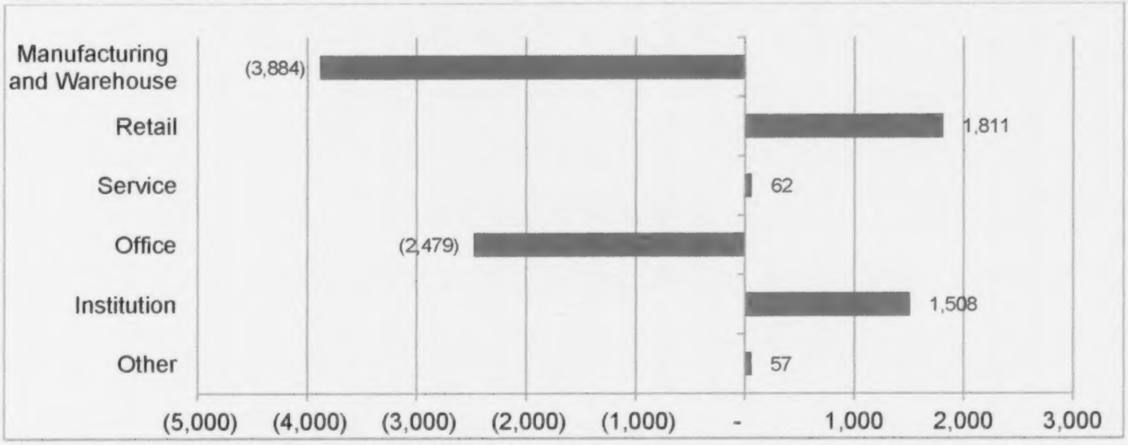
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure .D.9.2: Employment Structure (% Distribution) in the Dufferin Keele South District by Major Sector, 2011



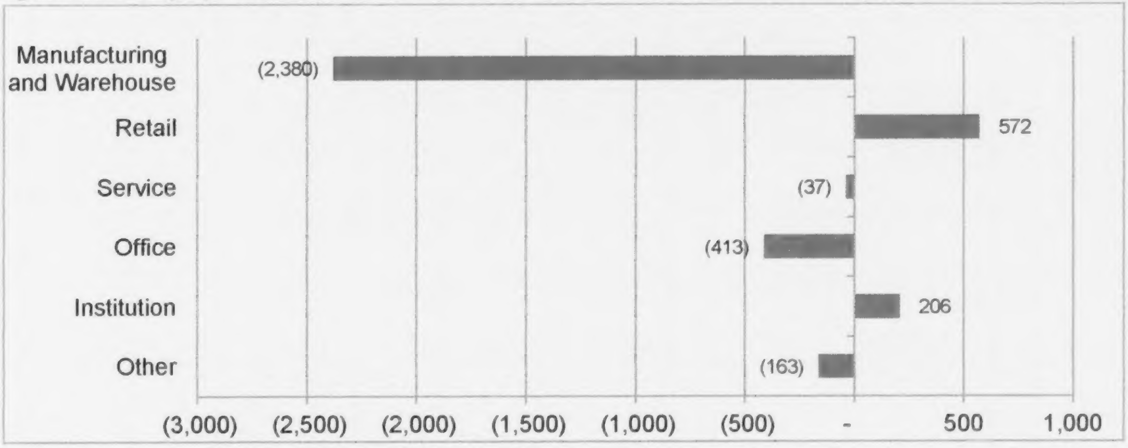
Source: City of Toronto Employment Survey, 2011

Figure D.9.3: Employment Growth in the Dufferin Keele South Employment District by Major Sector, 2001 to 2011



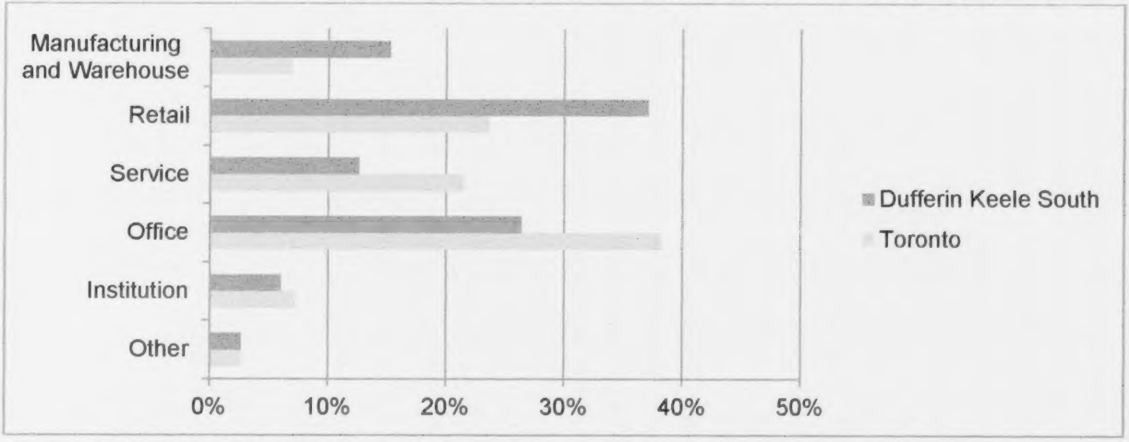
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.9.4: Employment Growth in the Dufferin Keele South Employment District by Major Sector, 2006 to 2011



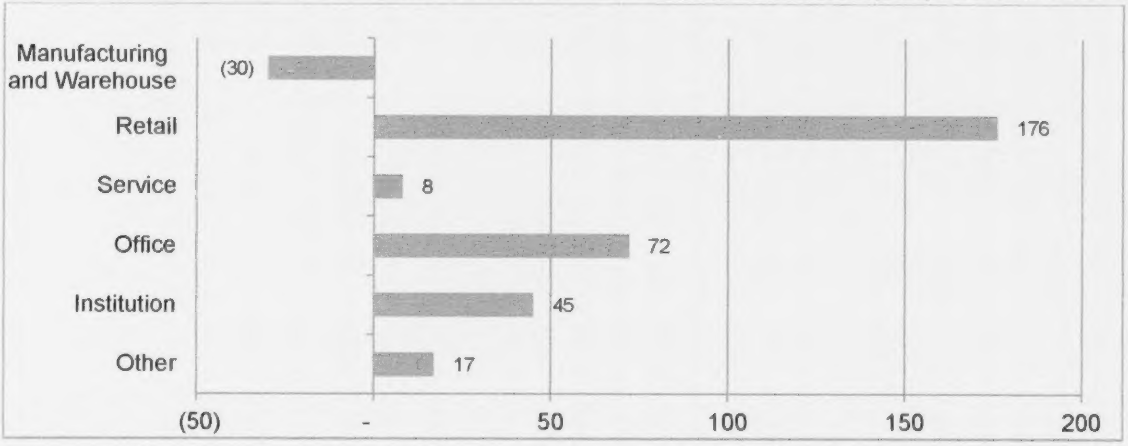
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.9.5: Establishment Structure (% Distribution) in the Dufferin Keele South District by Major Sector, 2011



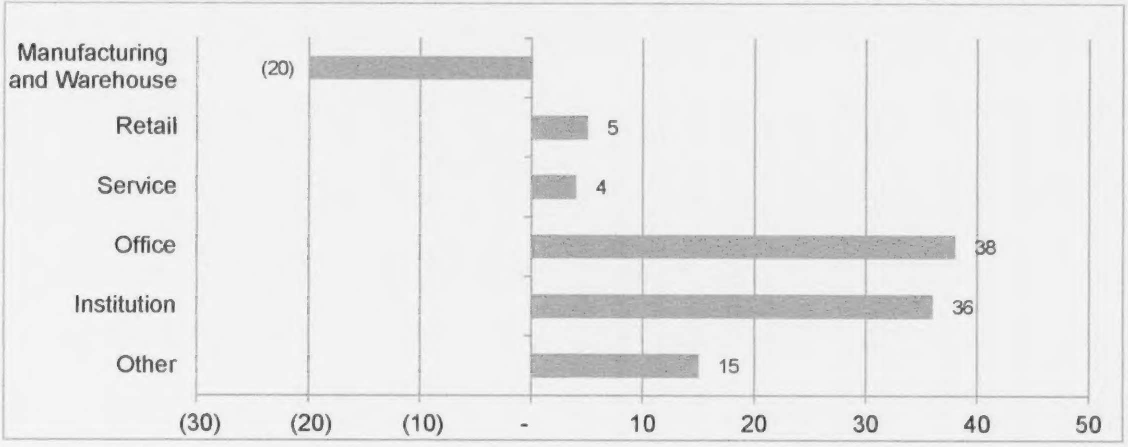
Source: City of Toronto Employment Survey, 2011

Figure D.9.6: Establishment Growth in the Dufferin Keele South Employment District by Major Sector, 2001 to 2011



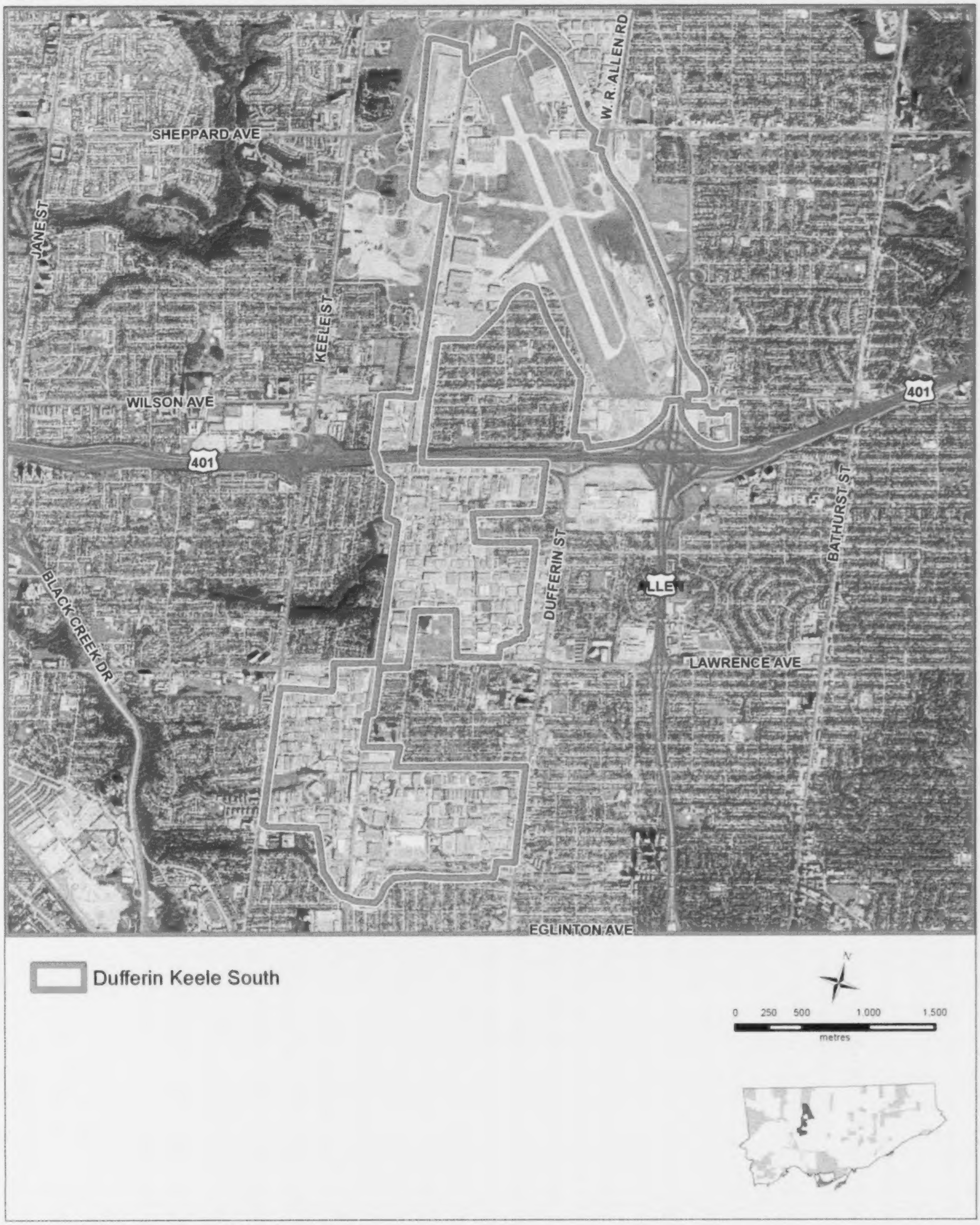
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.9.7: Establishment Growth in the Dufferin Keele South Employment District by Major Sector, 2006 to 2011



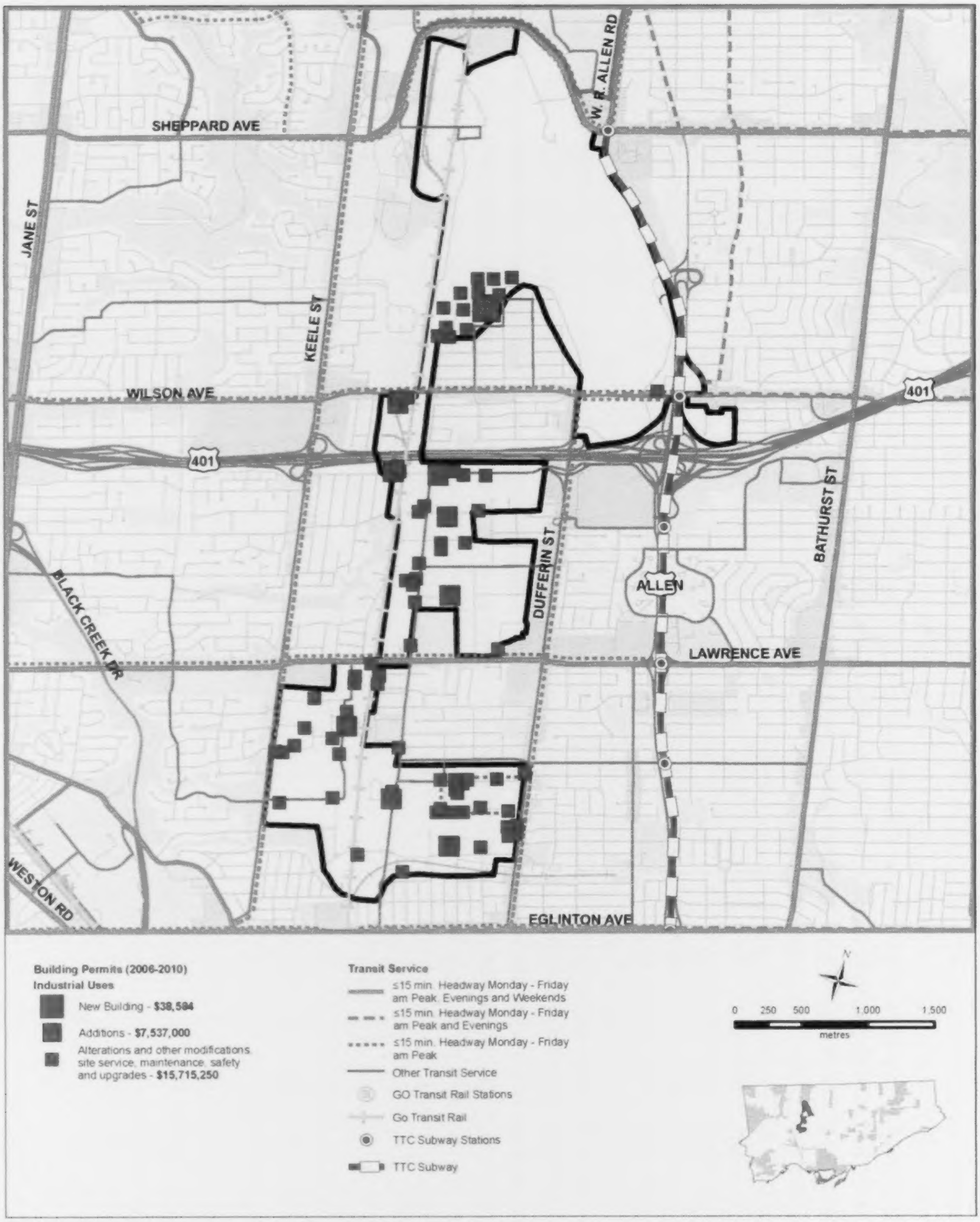
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.9.8: Extent and Character of the Dufferin Keele South Employment District


SHEPPARD AVE
W. R. ALLEN RD
JANE ST
KEELE ST
WILSON AVE
401
401
BLACK CREEK DR
DUFFERIN ST
ALLEN
BATHURST ST
LAWRENCE AVE
EGLINTON AVE
Dufferin Keele South
N
0
250
500
1,000
1,500
metres

Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.9.8: Industrial Re-investment and Transit Services in the Dufferin Keele South Employment District, 2006-2010


SHEPPARD AVE
W. R. ALLEN RD
JANE ST
KEELE ST
WILSON AVE
401
401
BLACK CREEK DR
DUFFERIN ST
ALLEN
BATHURST ST
LAWRENCE AVE
WESTON RD
EGLINTON AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $38,584
Additions - $7,537,000
Alterations and other modifications site service, maintenance, safety and upgrades - $15,715,250
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0
250
500
1,000
1,500
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.9.10: Average Ceiling Height for Industrial Space in the Dufferin Keele South Employment District, 2011

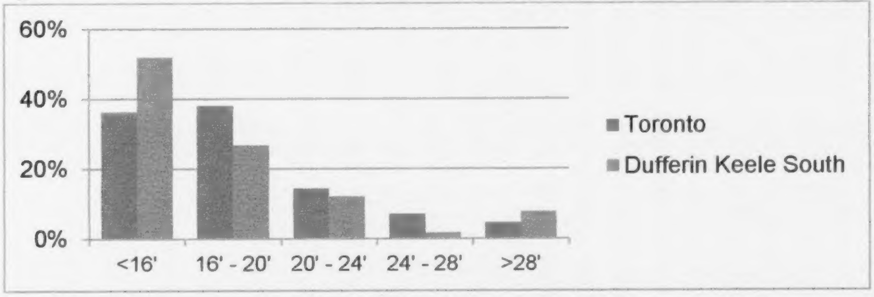


Figure D.9.11: Built Year for Industrial Space in the Dufferin Keele South Employment District, 2011

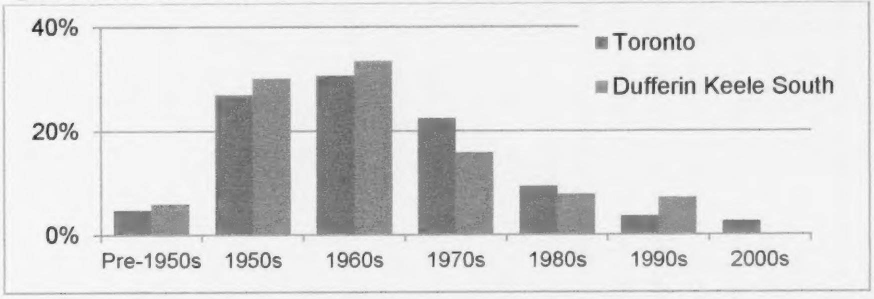
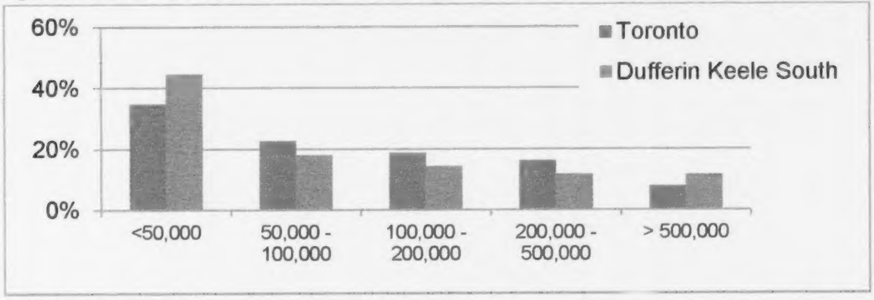
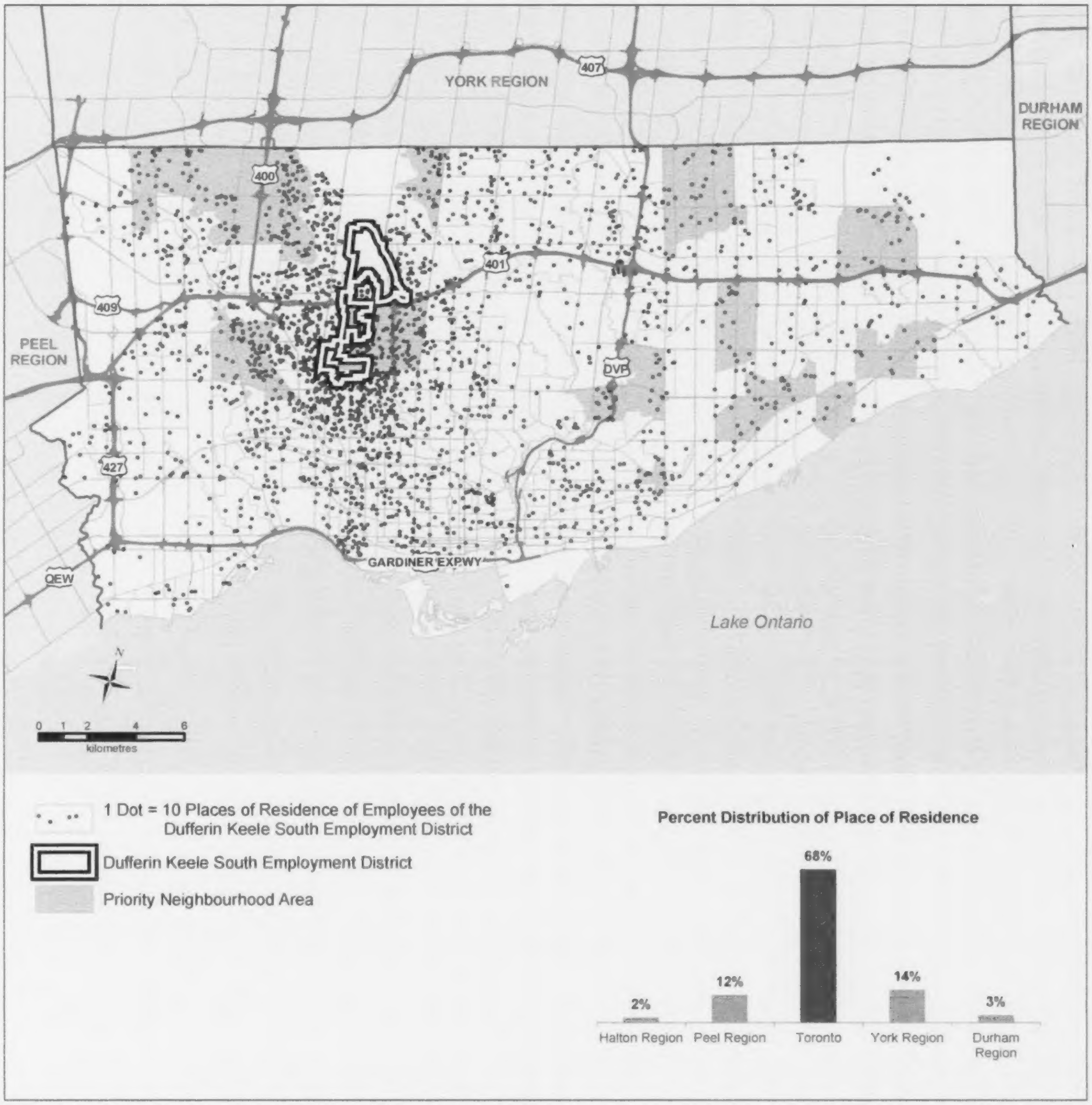


Figure D.9.12: Average Building Size for Industrial Space in the Dufferin Keele South Employment District, 2011



Source: C&W, 2011 Q4

Figure D.9.13: Distribution of Place of Residence for Employment in the Dufferin Keele South Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Dufferin Keele South Employment District
Dufferin Keele South Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
2%
12%
68%
14%
3%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.10 Leaside Employment District

The Leaside Employment District is the one of the city's oldest and most central Employment Districts. It is bounded by Eglinton Ave. E. to the north, Ernest Thompson Seton Park to the east and south, and Millwood Rd./Laird Dr. to the west. In 2011, the district employed 4,546 people, evenly distributed between the Manufacturing and Warehousing and Office sector uses. In total, the Leaside Employment District has approximately 205 firms.

Key Facts:

- ***The Leaside Employment District employed 4,546 people in 2011, a 13.5% decline from 2006 and a 15.6% decline from 2001;***
- ***It supported less than 1% of the City's employment in 2011, and 0.48% of its non-residential assessment;***
- ***The District had $5.8 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in the Institution (3400%) and Retail (123%) sectors, with a 67% decline in its service employment, 30% decline in its manufacturing employment, and 16% decline in its office sector;***
- ***New establishment growth occurred in the institution, retail, and service sectors, with a loss of office and manufacturing establishments;***
- ***With a net occupied land base of 83.5 ha, there is 5 million sq. ft. of industrial building space with an average vacancy rate of 1.1% in 2011;***
- ***Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The District is accessed from Laird Drive, Overlea Boulevard and Eglinton Avenues, and is served by arterial and internal transit service. LRT service is planned for Eglinton Avenue, with a station proposed at Laird Drive;***
- ***Of persons living in the GTAH, residents of Toronto hold 75% of the jobs located in the District.***

Figure D.10.1: Profile Data for the Leaside Employment District, 2001, 2006 and 2011

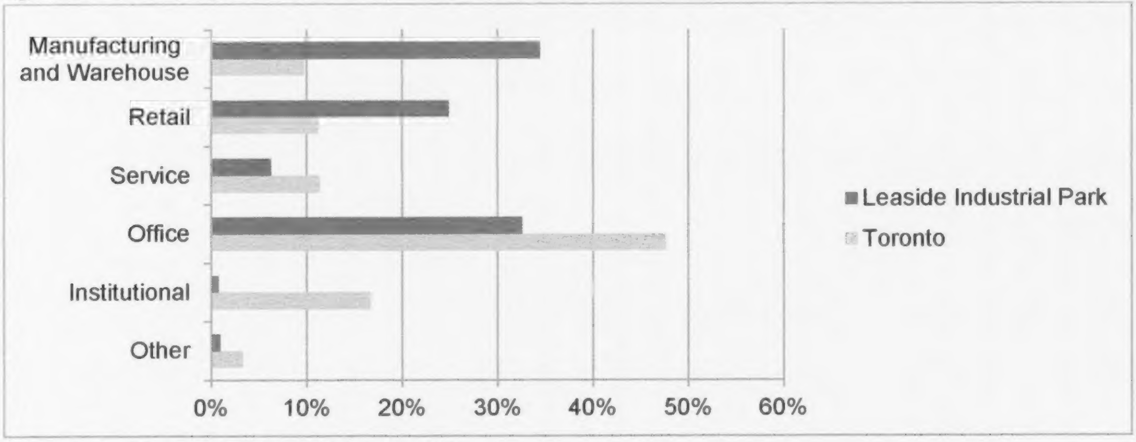
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	99.7	-	0.9%
Vacant Area (Ha)	-	-	16.2	-	1.8%
Vacant Area (% of Net)	-	-	16.2%	-	-
Employment (Total PT & FT)	5,387	5,254	4,546	-15.6%	0.3%
No. of Establishments	220	183	204	-6.8%	0.3%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	66%, 15%, 6%, 8%, 5%	70%, 10%, 5%, 5%, 9%	63%, 19%, 7%, 5%, 5%	-	-
Industrial Inventory (sq.ft)	-	-	4,811,214	-	1.8%
Industrial Vacancy Rate	-	-	1.1%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.93	-	-
Total Non Res. Assessment ($)	$86,335,000	-	$385,869,278	1.4x	0.5%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

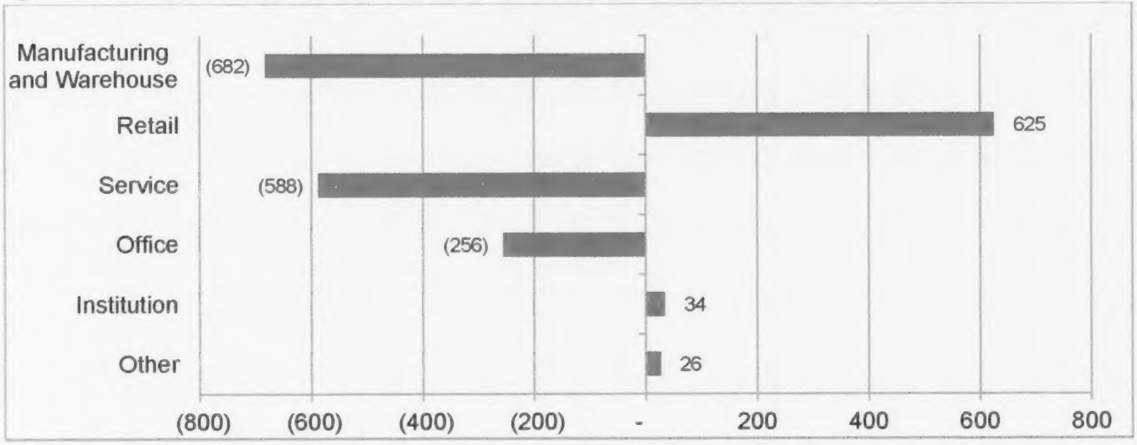
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.10.2: Employment Structure (% Distribution) in the Leaside Employment District by Major Sector, 2011



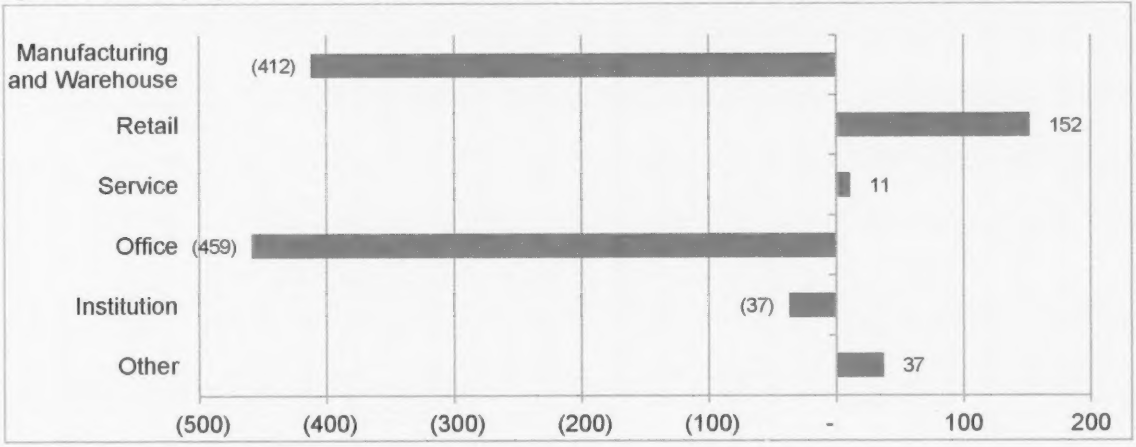
Source: City of Toronto Employment Survey, 2011

Figure D.10.3: Employment Growth in the Leaside Employment District by Major Sector, 2001 to 2011



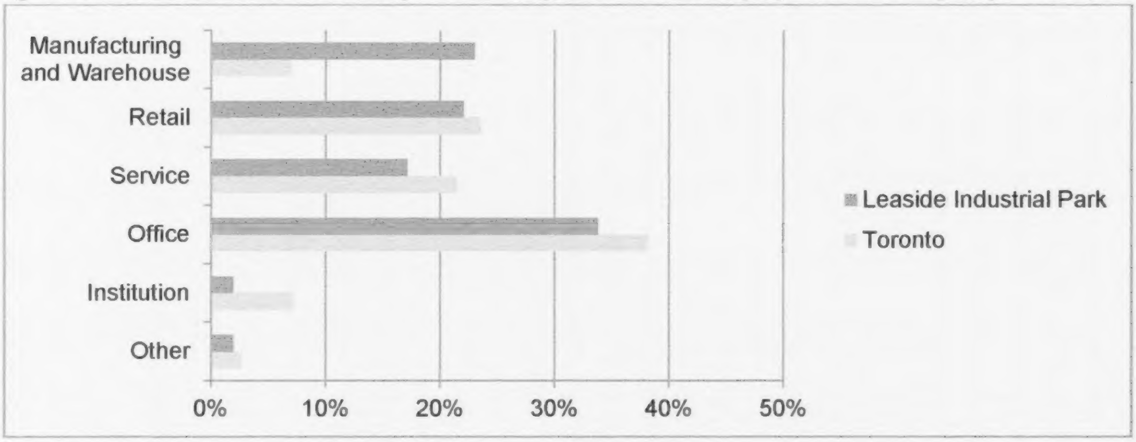
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.10.4: Employment Growth in the Leside Employment District by Major Sector, 2006 to 2011



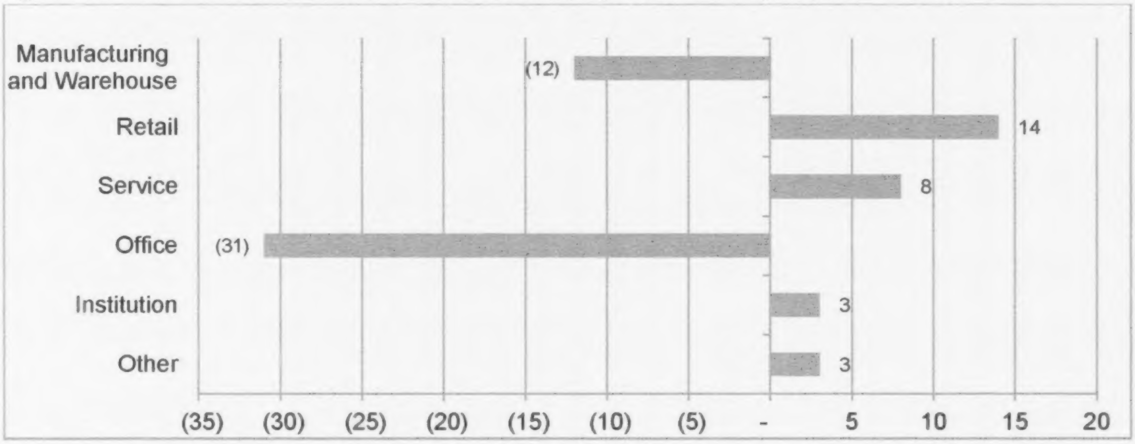
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.10.5: Establishment Structure (% Distribution) in the Leaside Employment District by Major Sector, 2011



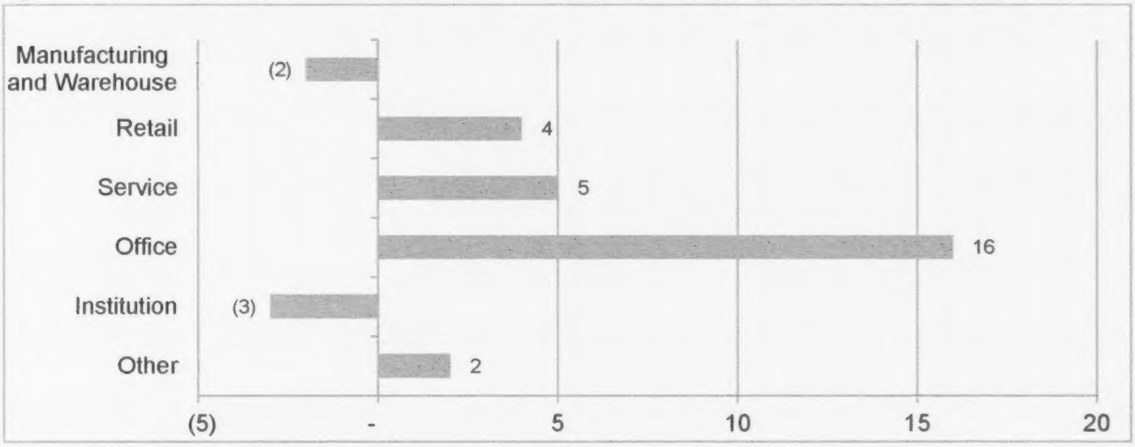
Source: City of Toronto Employment Survey, 2011

Figure D.10.6: Establishment Growth in the Leaside Employment District by Major Sector, 2001 to 2011



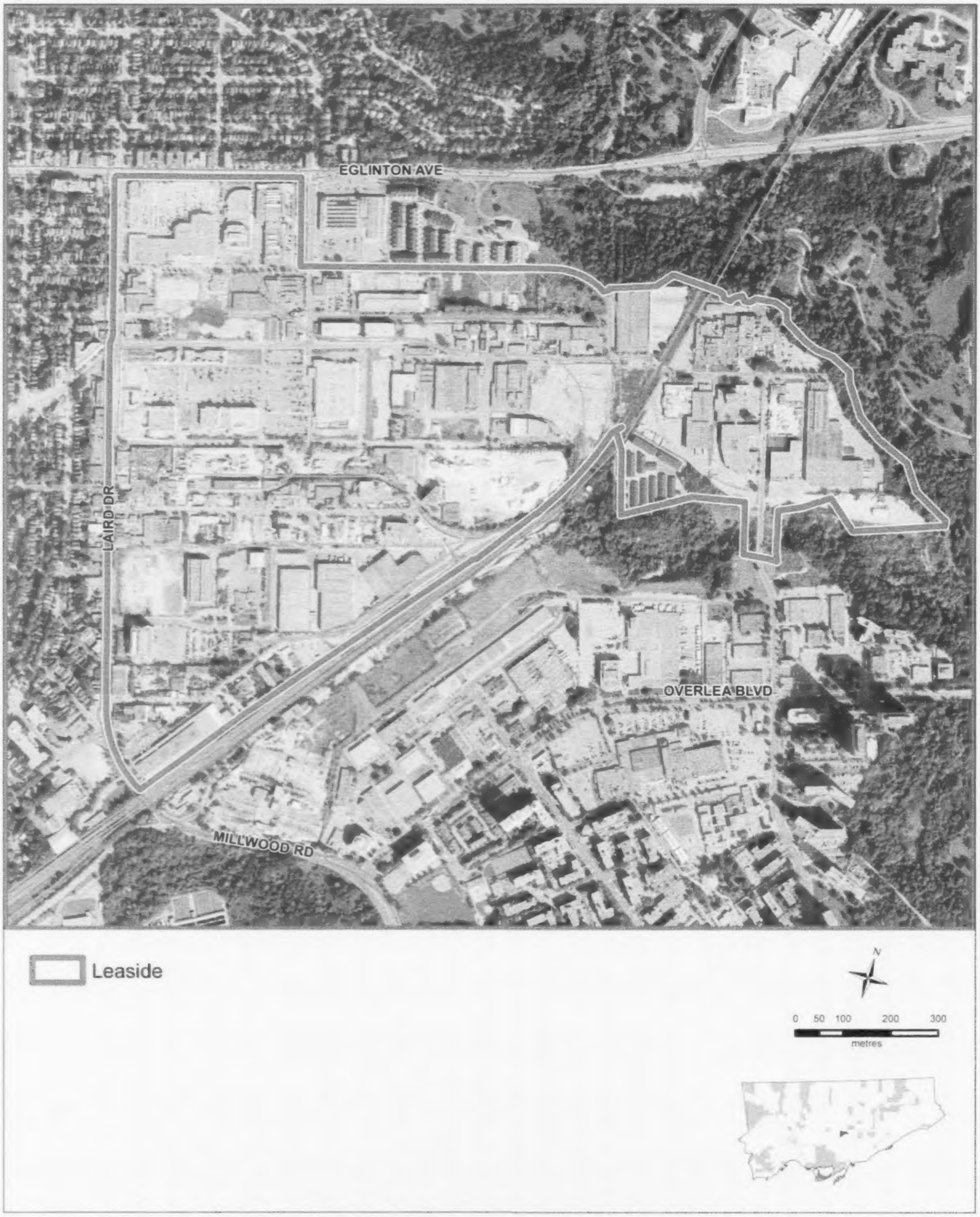
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.10.7: Establishment Growth in the Leaside Employment District by Major Sector, 2006 to 2011



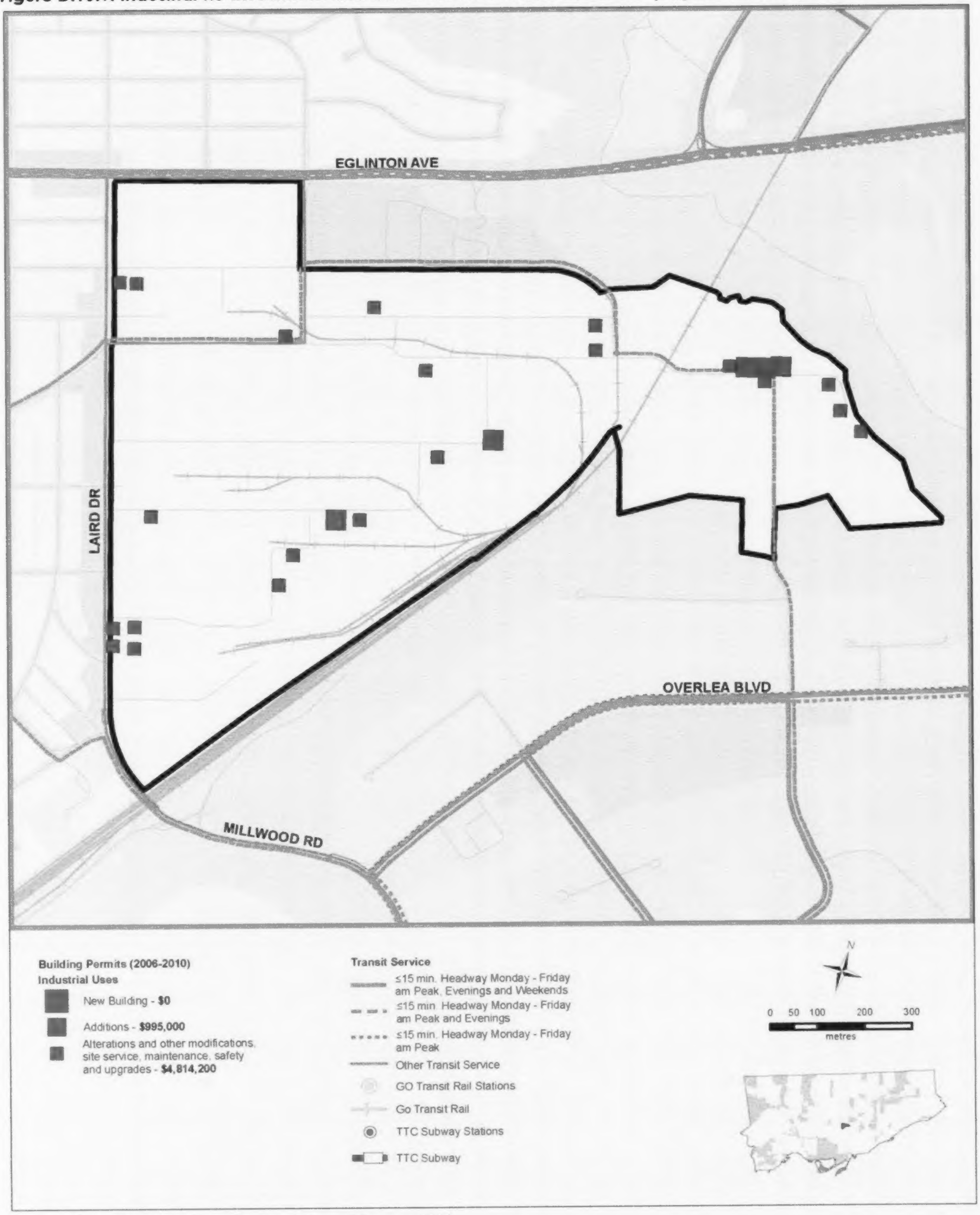
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.10.8: Extent and Character of the Leaside Employment District


EGLINTON AVE
LAIRD DR
OVERLEA BLVD
MILLWOOD RD
Leaside
N
0 50 100 200 300
metres

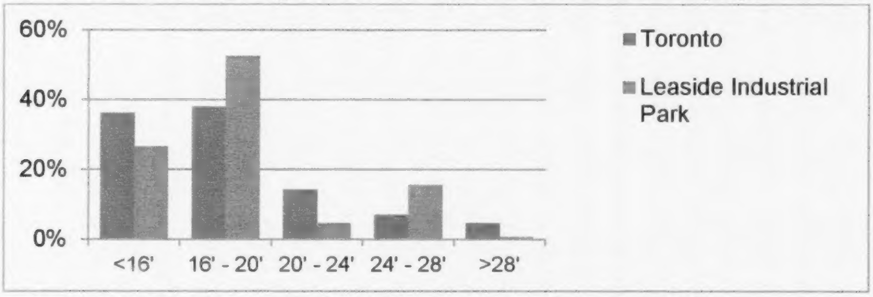
Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.10.9: Industrial Re-investment and Transit Services in the Leaside Employment District, 2006-2010


EGLINTON AVE
LAIRD DR
OVERLEA BLVD
MILLWOOD RD
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $995,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $4,814,200
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 50 100 200 300
metres

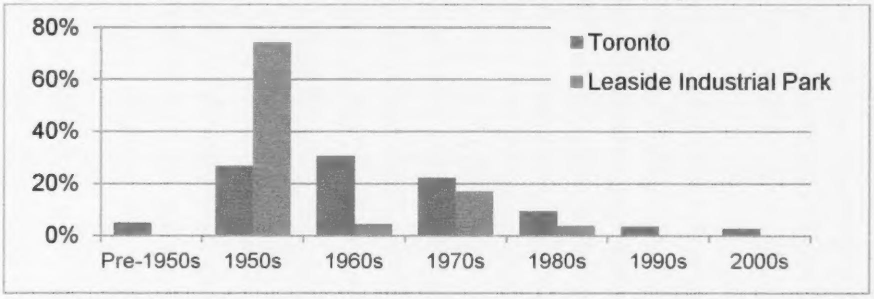
Source: City of Toronto. Toronto Employment Survey, 2011

Figure D.10.10: Ceiling Height for Industrial Space in the Leaside Employment District, 2011



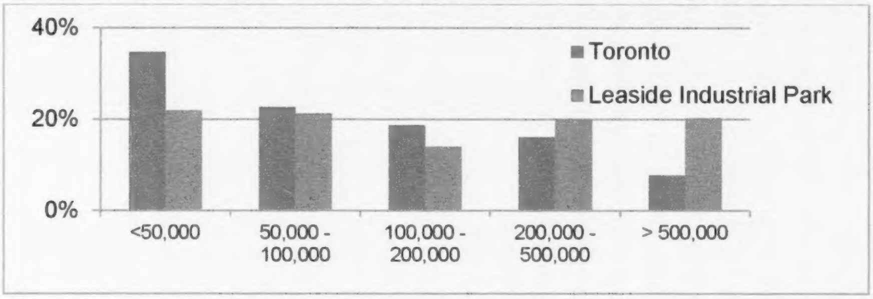
Source: C&W, 2011 Q4

Figure D.3.11: Built Year for Industrial Space in the Leaside Employment District, 2011



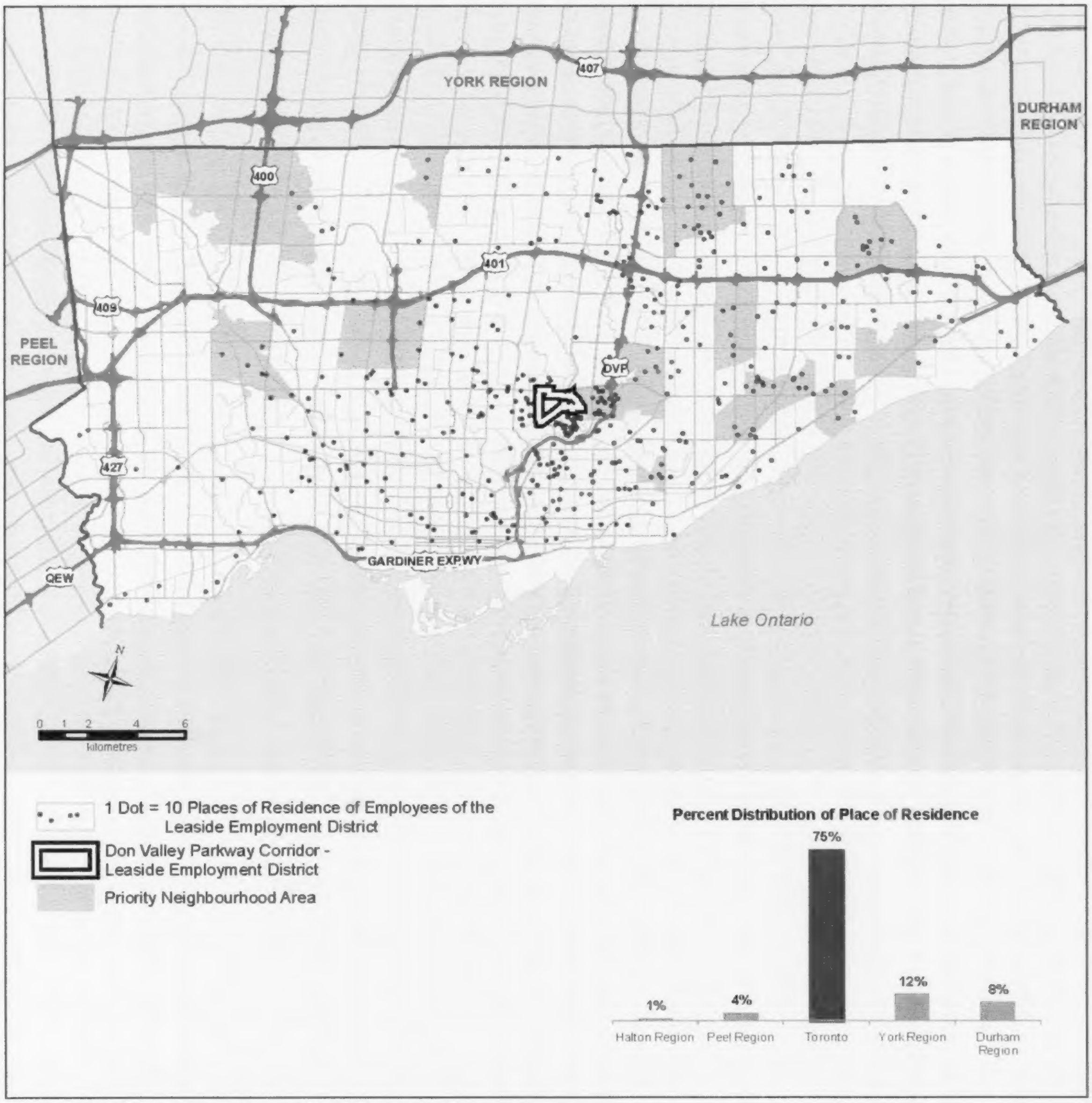
Source: C&W, 2011 Q4

Figure D.10.12: Building Size for Industrial Space in the Leaside Employment District, 2011



Source: C&W, 2011 Q4

Figure D.10.13: Distribution of Place of Residence for Employment in the Leaside Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
Kilometres
1 Dot = 10 Places of Residence of Employees of the Leaside Employment District
Don Valley Parkway Corridor - Leaside Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
4%
75%
12%
8%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.11 Bermondsey Employment District

The Bermondsey Employment District is one of the more southerly districts along the DVP. It is bounded by Eglinton Ave. E. to the north, O'Connor Dr. to the east, Curity Ave. to the south, and Linkwood Lane Park to the west. In 2011, the district employed 6,402 people and was predominantly Manufacturing and Warehousing, and Office sectors. In total, the Bermondsey Employment District has approximately 298 firms.

Key Facts:

- *The Bermondsey Employment District employed 6,402 people in 2011, a 6.7% decline from 2006 and a 9.8% decline from 2001;*
- *It supported by less than 1% of the City's employment in 2011, and 0.36% of its non-residential assessment;*
- *The District had $9 million in industrial building permit values between 2006 and 2010;*
- *Employment growth (2001 – 2011) occurred in the Office (37%) and Institution (27%) sectors, with a 35% decline in its service employment, and 25% decline in its manufacturing employment;*
- *New establishment growth occurred in the institution, service, retail, and manufacturing sectors, with a loss of office;*
- *With a net occupied land base of 116.1 ha, there is 4.8 million sq. ft. of industrial building space with an average vacancy rate of 1.1% in 2011;*
- *Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet;*
- *The District is accessed from Eglinton Avenues or O'Connor Drive, and is served by arterial and internal bus transit;*
- *Of persons living in the GTAH, residents of Toronto hold 72% of the jobs located in the District.*

Figure D.11.1: Profile Data for the Bermondsey Employment District, 2001, 2006 and 2011

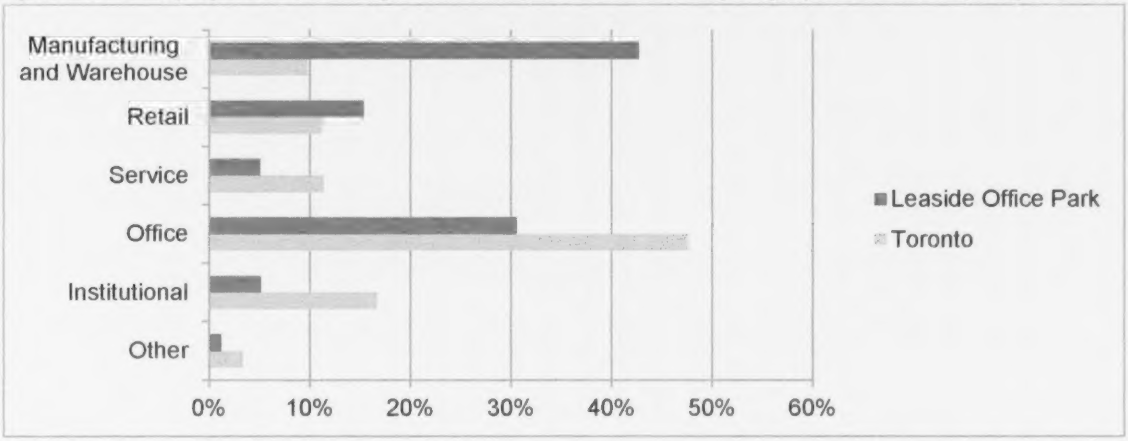
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	121.5	-	1.1%
Vacant Area (Ha)	-	-	5.4	-	0.6%
Vacant Area (% of Net)	-	-	4.4%	-	-
Employment (Total PT & FT)	7,101	6,860	6,402	-9.8%	0.5%
No. of Establishments	197	273	298	51.3%	0.4%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	50%, 20%, 11%, 7%, 12%	59%, 16%, 11%, 7%, 6%	64%, 17%, 9%, 5%, 5%	-	-
Industrial Inventory (sq.ft)	-	-	5,117,707	-	1.9%
Industrial Vacancy Rate	-	-	1.1%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.93	-	-
Total Non Res. Assessment ($)	$112,827,058	-	$292,027,941	0.6x	0.4%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

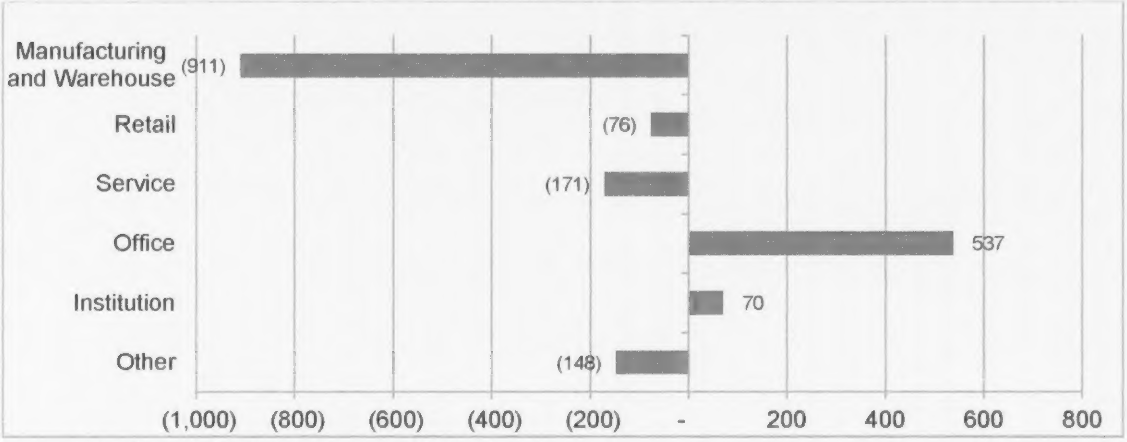
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.11.2: Employment Structure (% Distribution) in the Bermondsey Employment District by Major Sector, 2011



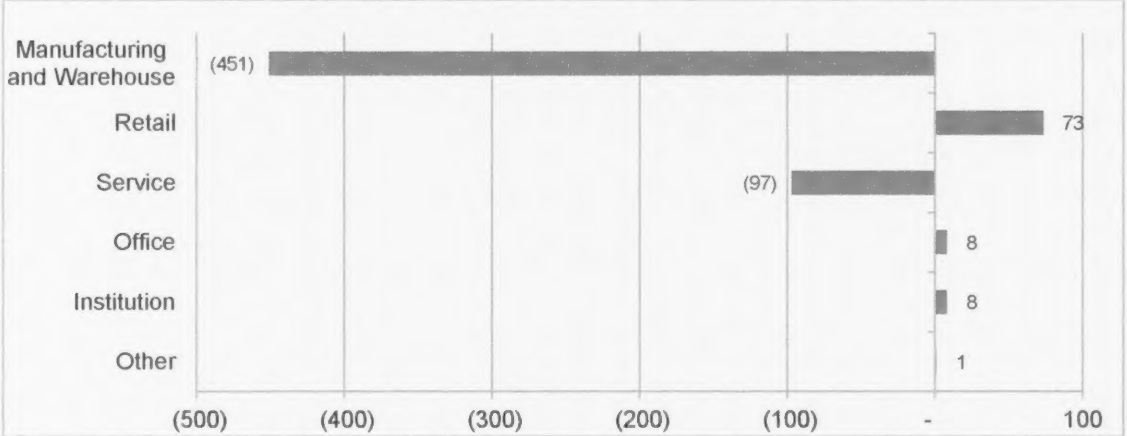
Source: City of Toronto Employment Survey, 2011

Figure D.11.3: Employment Growth in the Bermondsey Employment District by Major Sector, 2001 to 2011



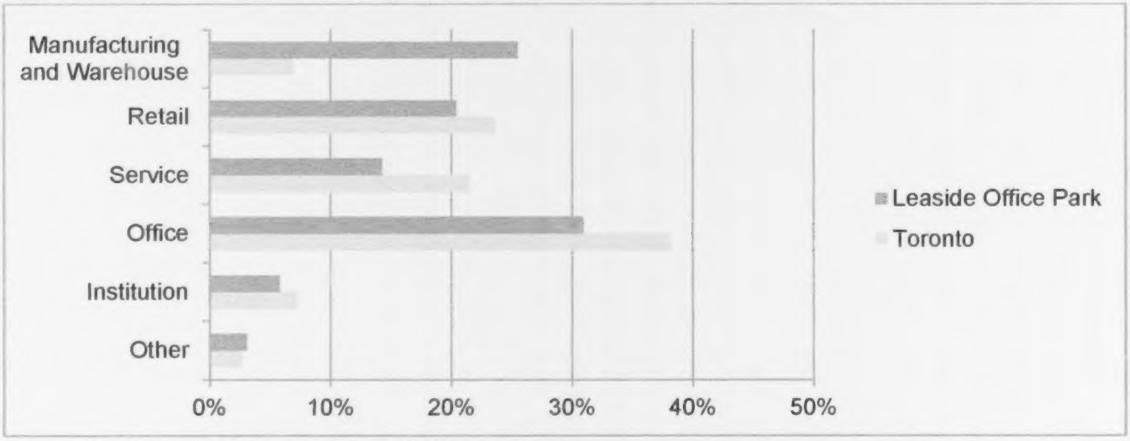
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.11.4: Employment Growth in the Bermondsey Employment District by Major Sector, 2006 to 2011



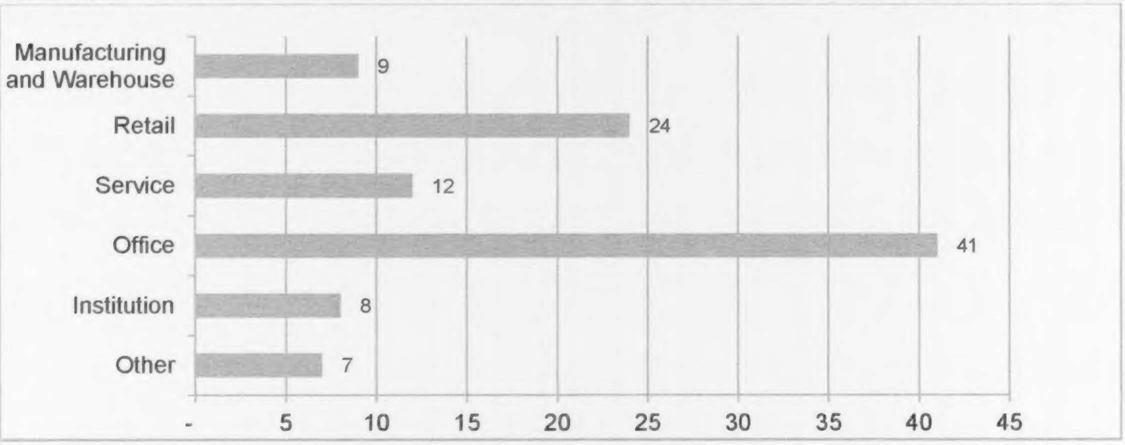
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.11.5: Establishment Structure (% Distribution) in the Bermondsey District by Major Sector, 2011



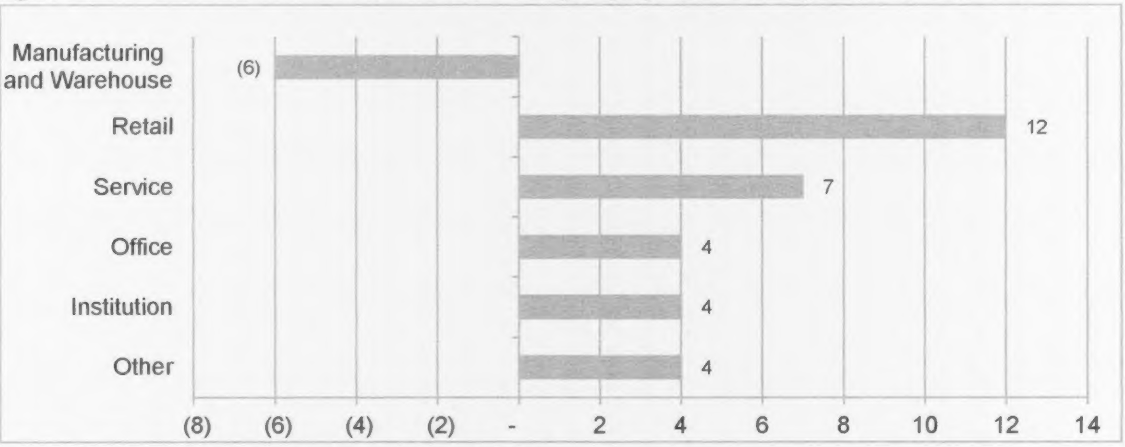
Source: City of Toronto Employment Survey, 2011

Figure D.11.6: Establishment Growth in the Bermondsey Employment District by Major Sector, 2001 to 2011



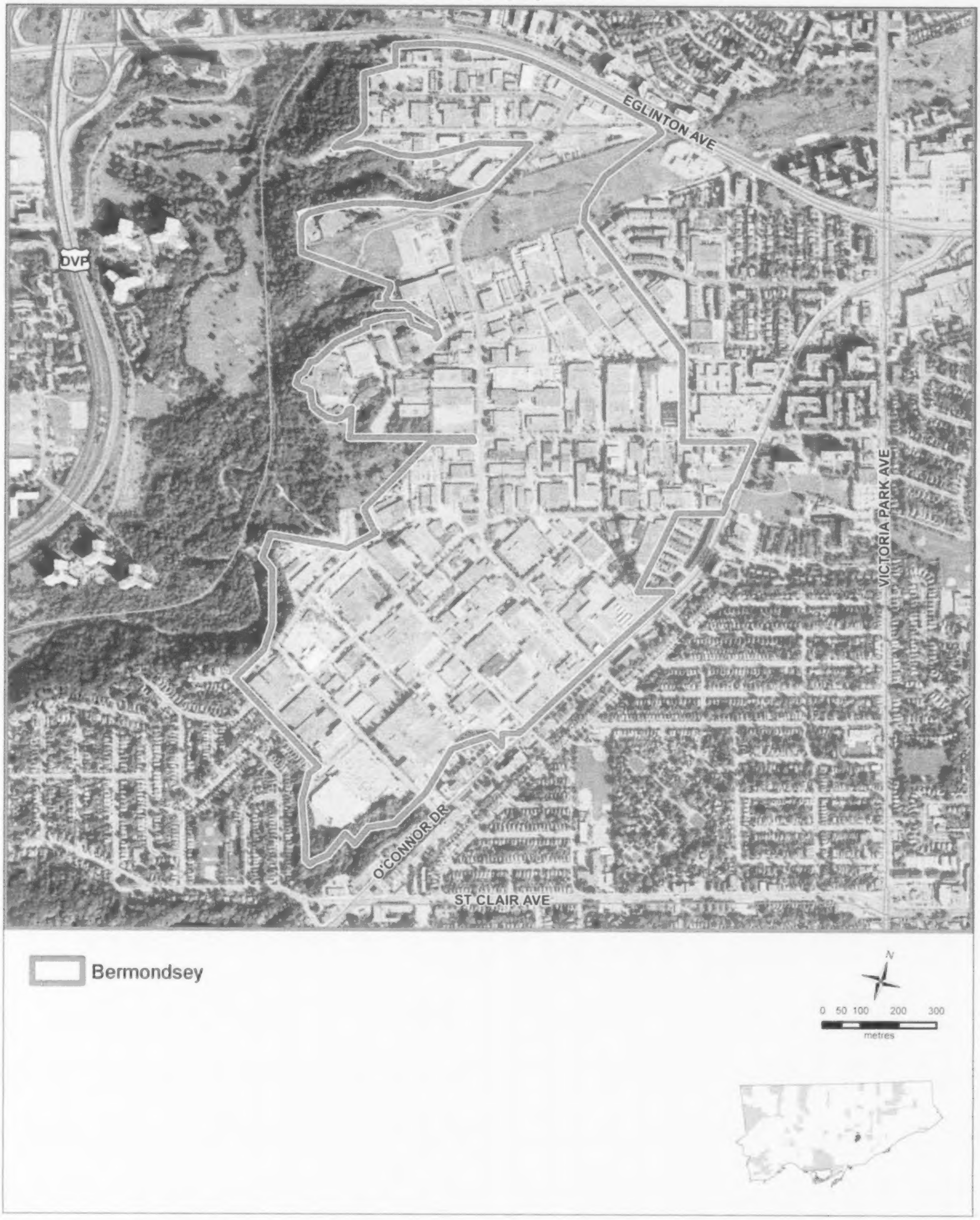
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.11.7: Establishment Growth in the Bermondsey Employment District by Major Sector, 2006 to 2011



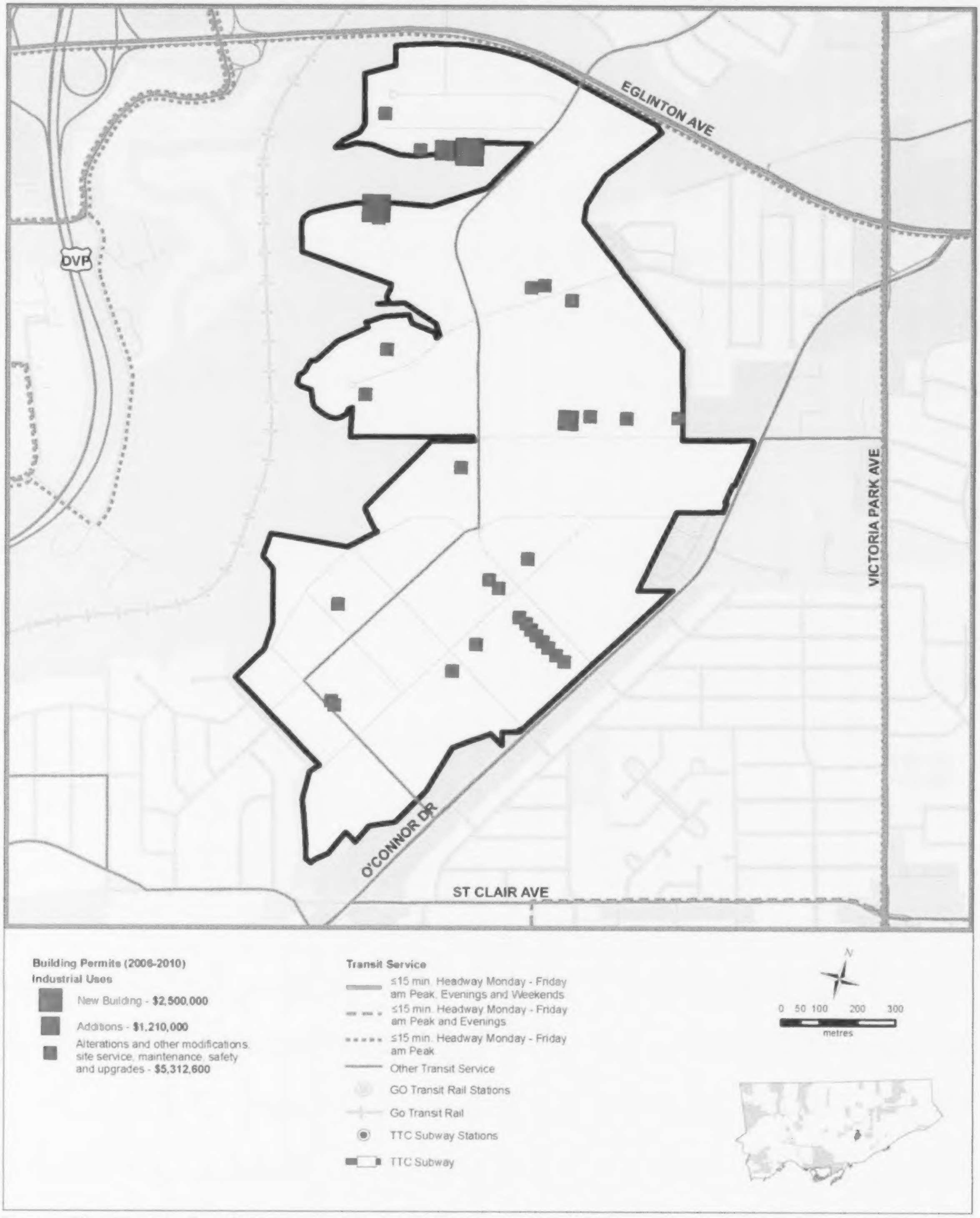
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.11.8: Extent and Character of the Bermondsey Employment District


EGLINTON AVE
DVP
VICTORIA PARK AVE
O'CONNOR DR
ST CLAIR AVE
Bermondsey
N
0 50 100 200 300
metres

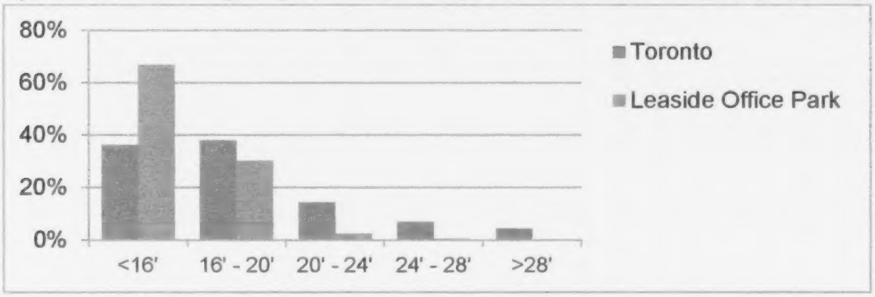
Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.11.9: Industrial Re-investment and Transit Services in the Bermondsey Employment District, 2006-2010


EGLINTON AVE
DVP
VICTORIA PARK AVE
O'CONNOR DR
ST CLAIR AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $2,500,000
Additions - $1,210,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $5,312,600
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 50 100 200 300
metres

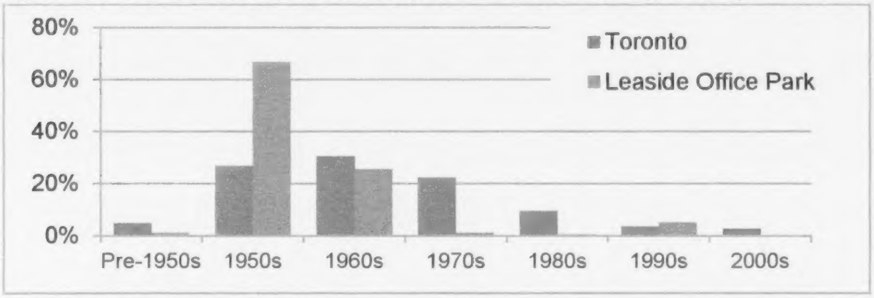
Source: City of Toronto. Toronto Employment Survey, 2011

Figure D.11.10: Ceiling Height for Industrial Space in the Bermondsey Employment District, 2011



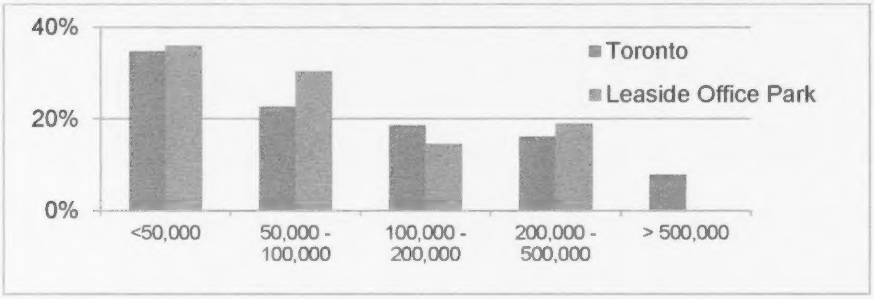
Source: C&W, 2011 Q4

Figure D.11.11: Built Year for Industrial Space in the Bermondsey Employment District, 2011



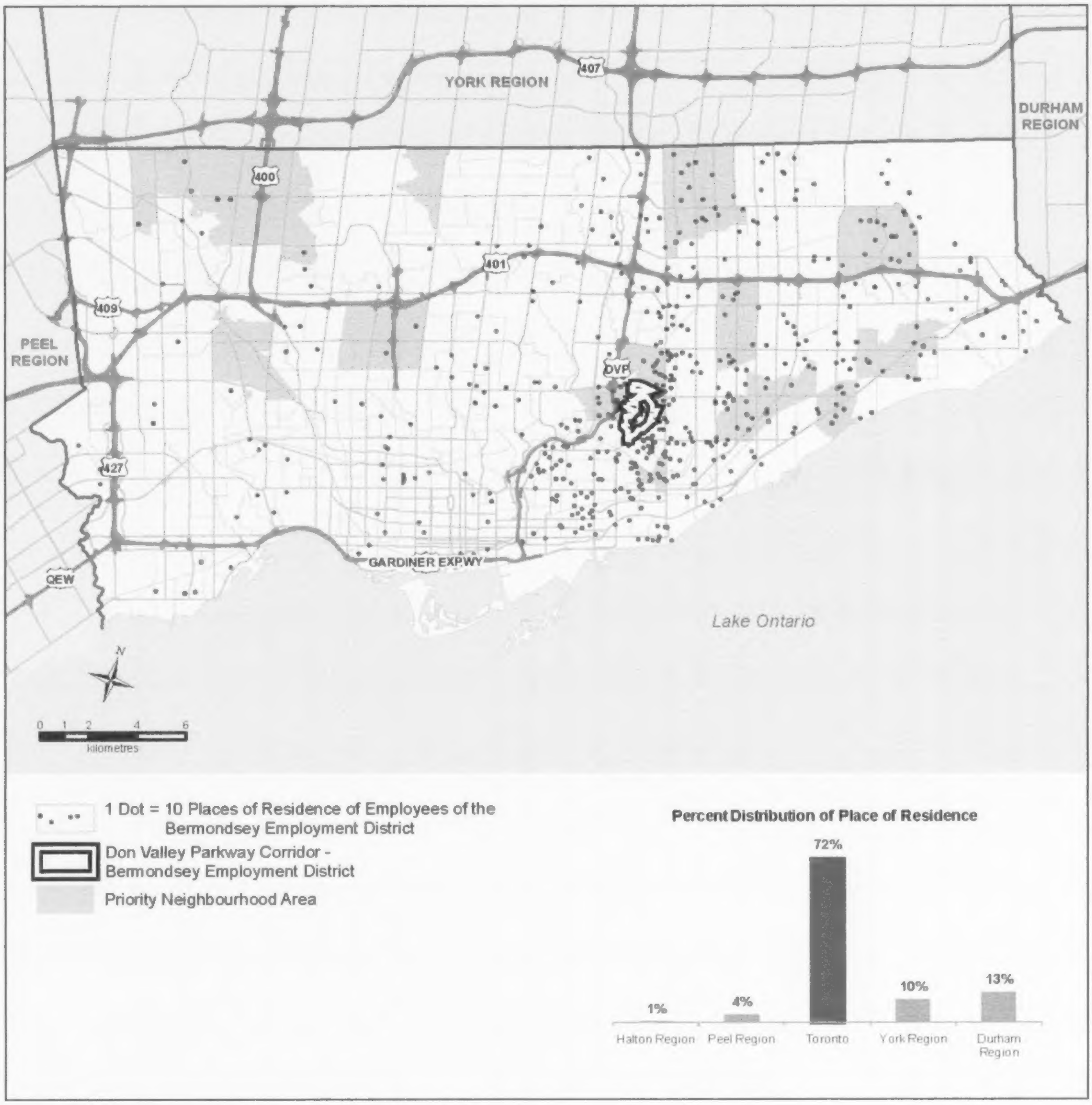
Source: C&W, 2011 Q4

Figure D.11.12: Building Size for Industrial Space in the Bermondsey Employment District, 2011



Source: C&W, 2011 Q4

Figure D.11.13: Distribution of Place of Residence for Employment in the Bermondsey Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
• • •• 1 Dot = 10 Places of Residence of Employees of the Bermondsey Employment District
Don Valley Parkway Corridor - Bermondsey Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
4%
72%
10%
13%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.12 Milliken Employment District

The Milliken Employment District is located in the northeast area of Toronto, bounded by Midland Ave. to the east, Kennedy Rd. to the west, Steeles Ave. to the north, and Finch Ave. to the south. In 2011, the District employed 7,425 people, primarily within Office businesses.

Key Facts:

- ***The Milliken District employed 7,425 people in 2011, a 2.1% increase from 2006 but a 5.9% decline from 2001;***
- ***It supported 0.6% of the City's employment in 2011, and 0.69% of its non-residential assessment;***
- ***The District had $6.8 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Institutional (99%), Retail (47%) and Service (24%) sectors, with a 53% decline in its Manufacturing employment, and 12% decline in its Office employment;***
- ***New establishment growth was concentrated in the Service, Retail, Institution and Office sectors, with a decline in Manufacturing establishments;***
- ***With a net occupied land base of 134.6 ha, there is 2.5 million sq. ft. of industrial building space with an average vacancy rate of 5.0% in 2011;***
- ***Most built industrial space dates to the 1960's and 1970's, concentrated in buildings with clear ceiling heights between 16 to 20 feet;***
- ***This District is among the top five across the City of Toronto in terms of the proportion of its industrial inventory constructed since 1980. This category accounts for almost 29% of the inventory, compared to an average of 15% City-wide.***
- ***The District is bounded by Steeles, Finch and Midland Avenues and Kennedy Road, centred on the north-south rail line. It is served by edge arterial bus transit, with two internal routes;***
- ***Of persons living in the GTAH, residents of Toronto hold 55% of the jobs located in the District.***

Figure D.12.1: Profile Data for the Milliken Employment District, 2001, 2006 and 2011

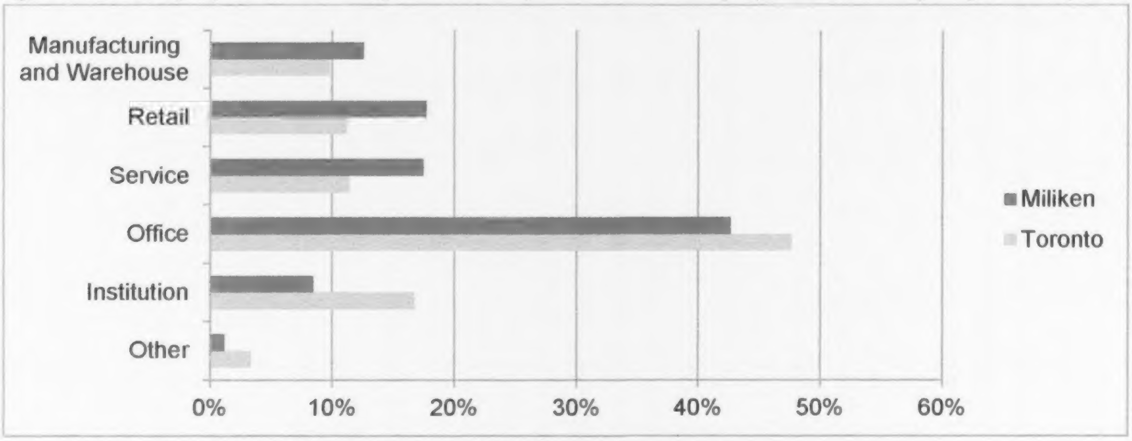
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	178.4	-	1.6%
Vacant Area (Ha)	-	-	43.8	-	4.8%
Vacant Area (% of Net)	-	-	24.6%	-	-
Employment (Total PT & FT)	7,890	7,272	7,425	-5.9%	0.6%
No. of Establishments	846	886	1,169	38.2%	1.6%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	87%, 8%, 2%, 1%, 2%	86%, 9%, 3%, 1%, 1%	89%, 7%, 2%, 1%, 1%	-	-
Industrial Inventory (sq.ft)	-	-	2,565,327	-	1.0%
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.23	-	-
Total Non Res. Assessment ($)	$202,018,635	-	550,079,449	0.7x	0.7%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

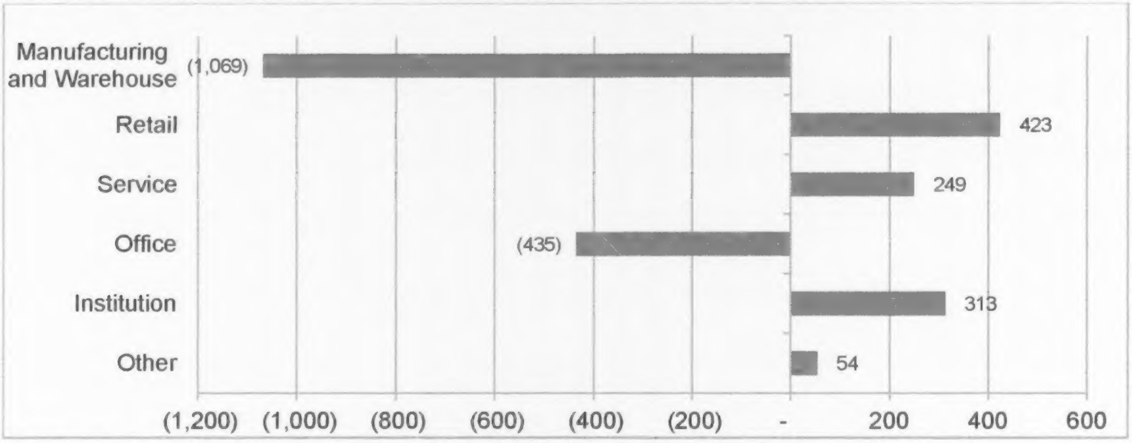
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.12.2: Employment Structure (% Distribution) in the Milliken Employment District by Major Sector, 2011



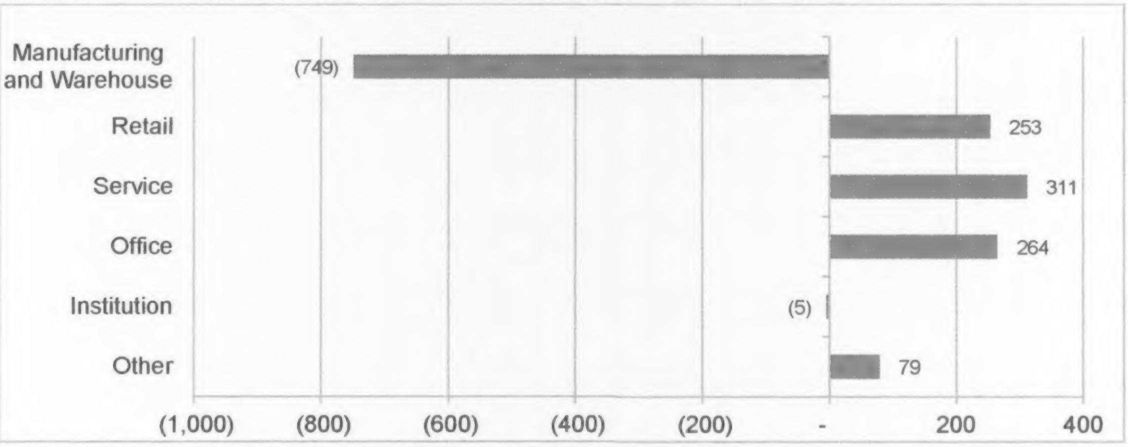
Source: City of Toronto Employment Survey, 2011

Figure D.12.3: Employment Growth in the Milliken Employment District by Major Sector, 2001 to 2011



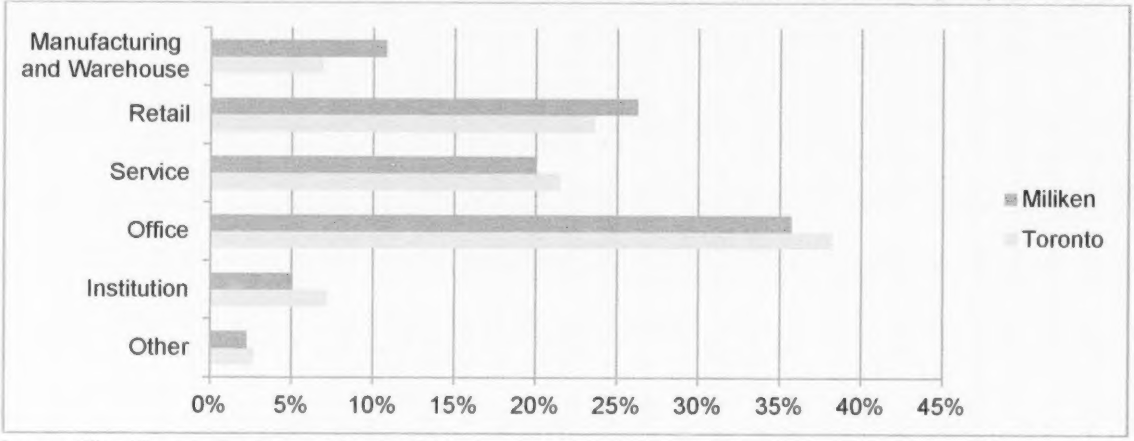
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.12.4: Employment Growth in the Milliken Employment District by Major Sector, 2006 to 2011



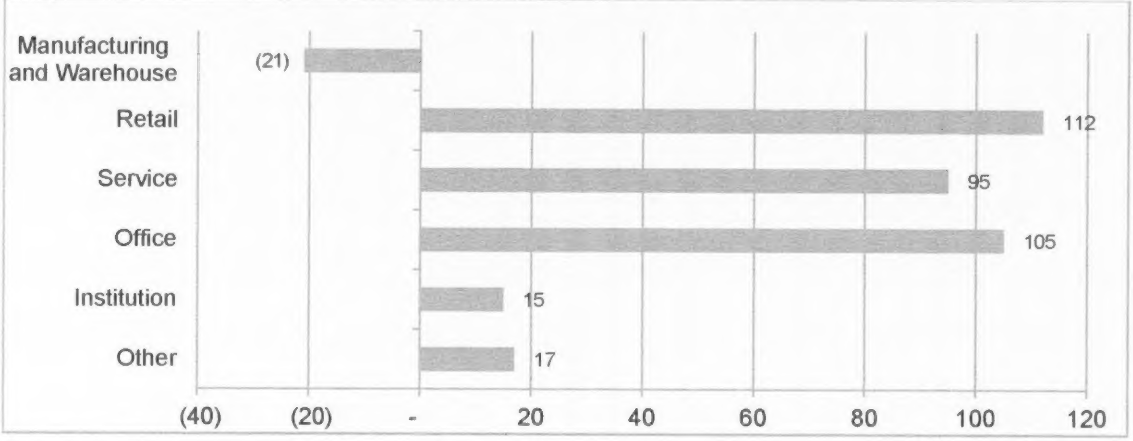
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.12.5: Establishment Structure (% Distribution) in the Milliken Employment District by Major Sector, 2011



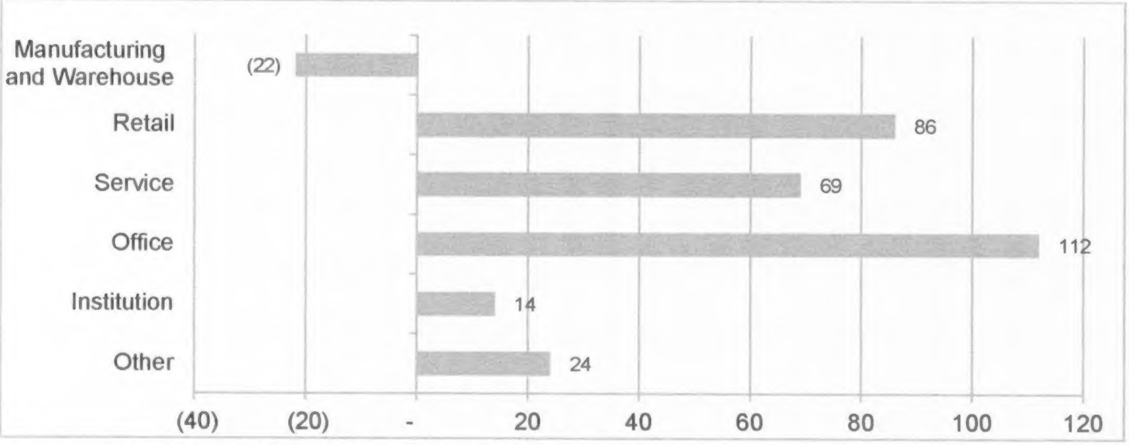
Source: City of Toronto Employment Survey, 2011

Figure D.12.6: Establishment Growth in the Milliken Employment District by Major Sector, 2001 to 2011



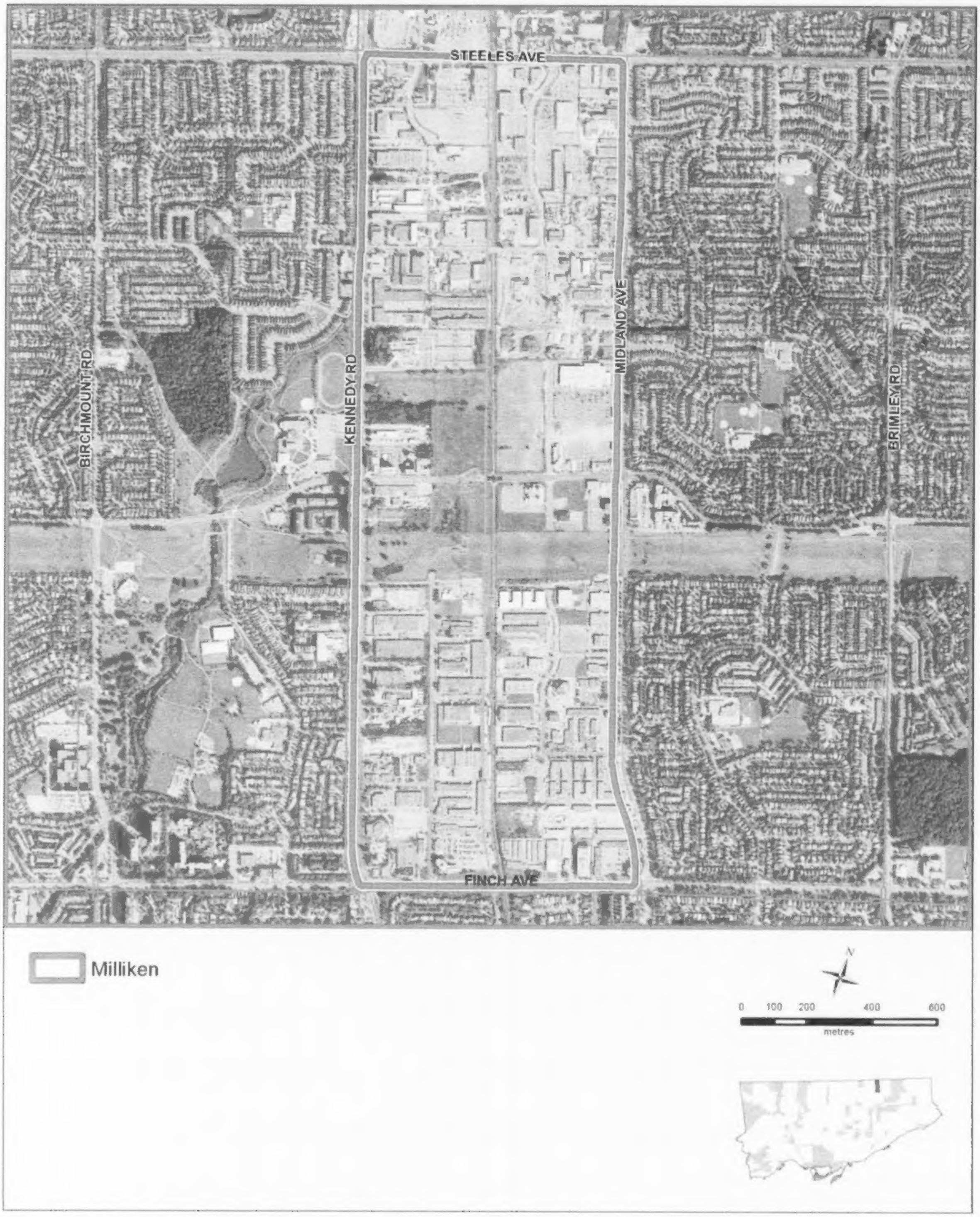
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.12.7: Establishment Growth in the Milliken Employment District by Major Sector, 2006 to 2011



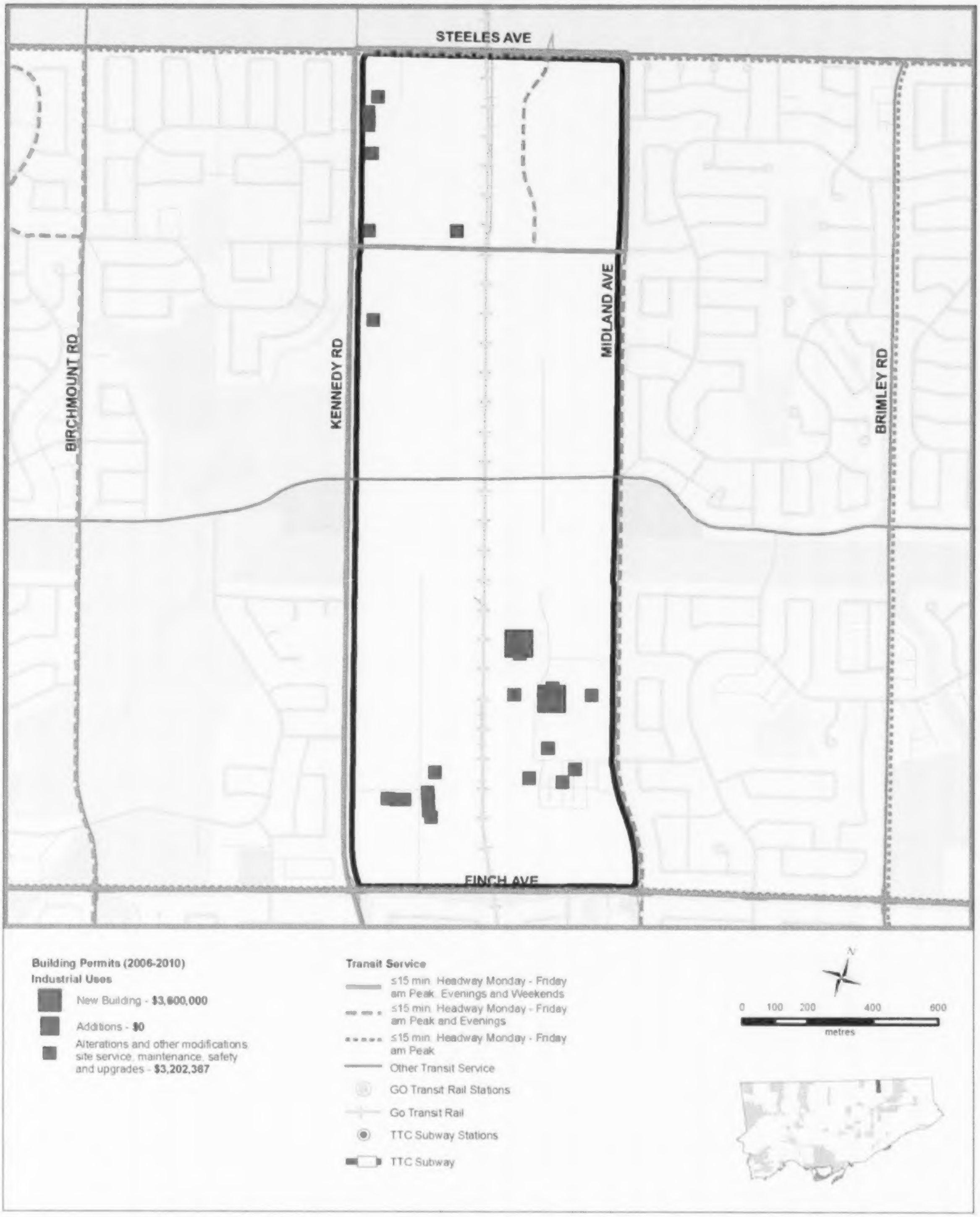
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.12.8: Extent and Character of the Milliken Employment District


STEELES AVE
BIRCHMOUNT RD
KENNEDY RD
MIDLAND AVE
BRIMLEY RD
FINCH AVE
Milliken
N
0
100
200
400
600
metres

Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.12.9: Industrial Re-investment and Transit Services in the Milliken Employment District, 2006-2010


STEELES AVE
MIDLAND AVE
KENNEDY RD
BIRCHMOUNT RD
BRIMLEY RD
FINCH AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $3,600,000
Additions - $0
Alterations and other modifications site service, maintenance, safety and upgrades - $3,202,387
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 100 200 400 600
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.12.10: Ceiling Height for Industrial Space in the Milliken Employment District, 2011

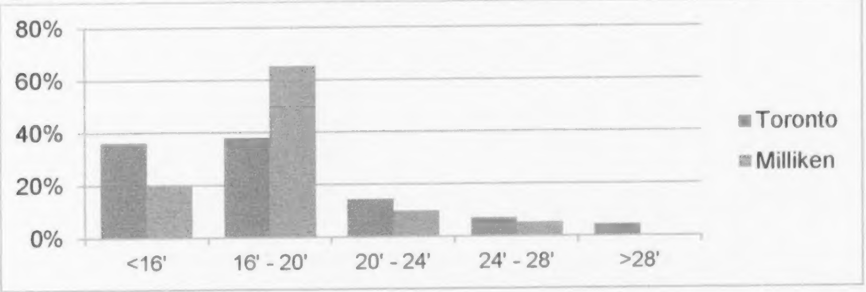


Figure D.12.11: Built Year for Industrial Space in the Milliken South Employment District, 2011

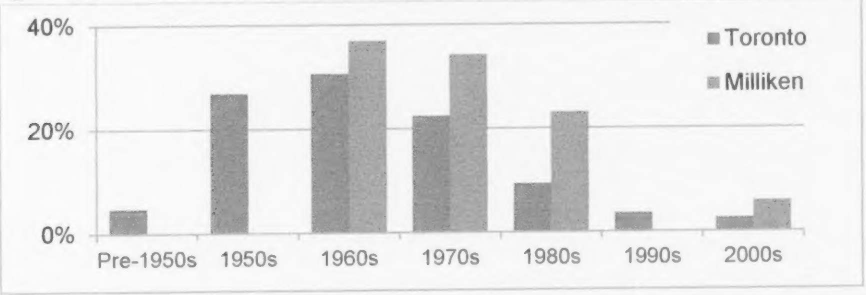
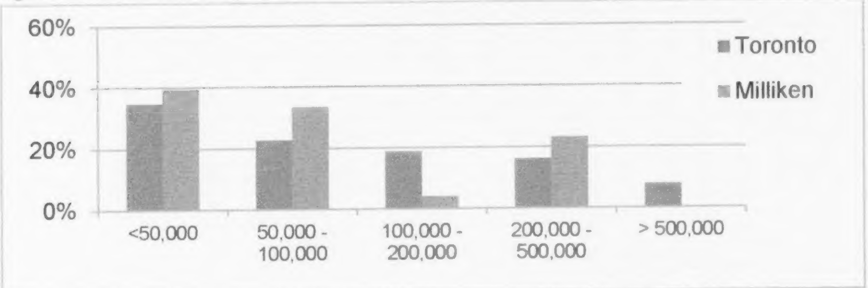
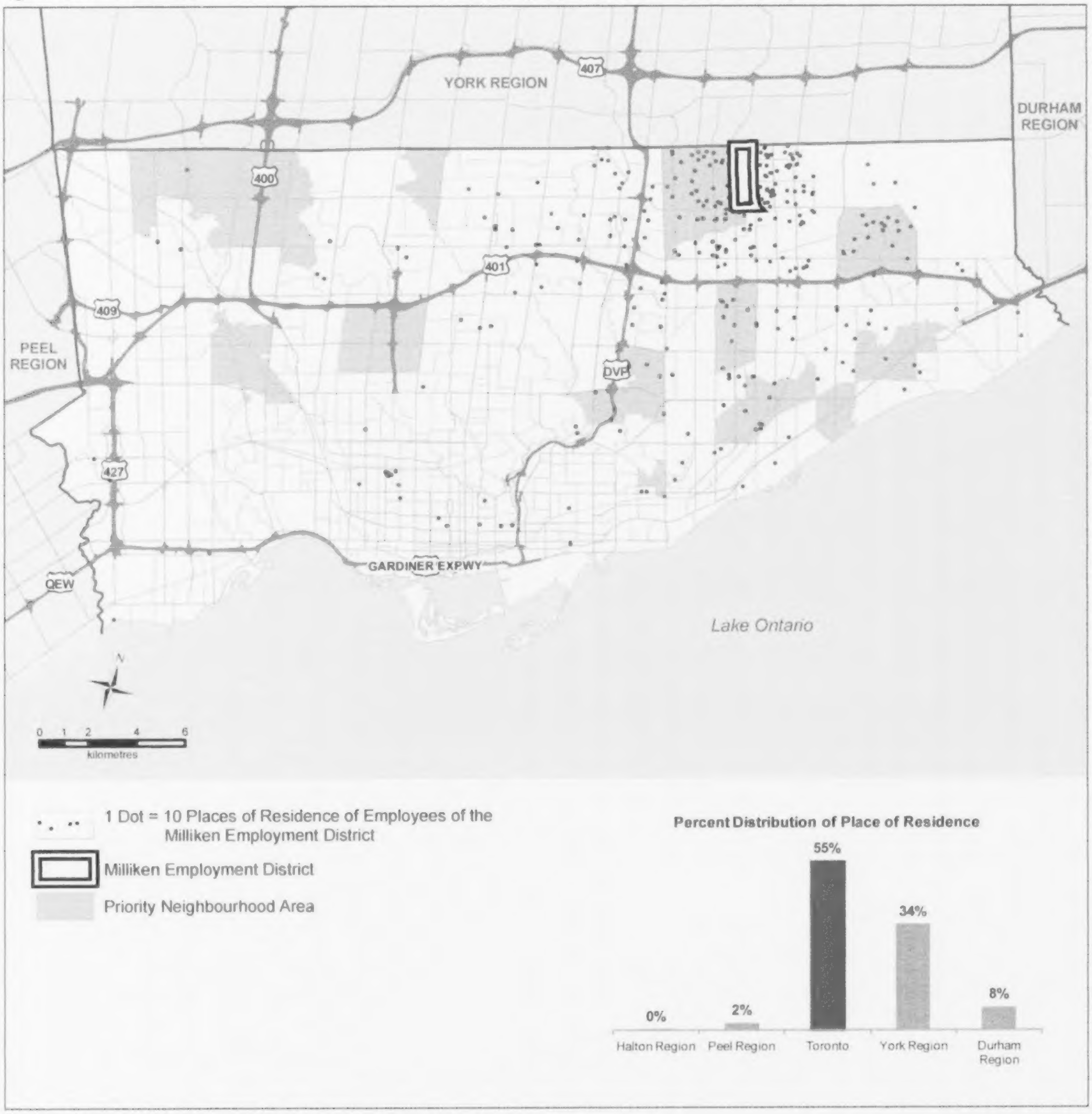


Figure D.12.12: Building Size for Industrial Space in the Milliken Employment District, 2011



Source: C&W, 2011 Q4

Figure D.12.13: Distribution of Place of Residence for Employment in the Milliken Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Milliken Employment District
Milliken Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
0%
2%
55%
34%
8%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.13 Tapscott / Marshalling Yard Employment District

The Tapscott / Marshalling Yard Employment District is the City's second largest district geographically. It is located in the northeast area of Toronto and is bounded by Steeles Ave. E to the north, Sheppard Ave. E to the south, the CPR railway to the east, and Middlefield and McCowan Road to the west. In 2011, the district employed 30,745 people, predominantly within the Manufacturing and Warehousing sector.

Key Facts:

- *The Tapscott / Marshalling Yard District employed 30,745 people in 2011, a 6% decline from 2006 and a 3.4% decline from 2001;*
- *It supported 2.3% of the City's employment in 2011, and 2.48% of its non-residential assessment;*
- *The District had $32.7 million in industrial building permit values between 2006 and 2010;*
- *Employment growth (2001 – 2011) occurred in its Institution (78%), Service (54%), and Retail (37%) sectors, with a 24% decline in its Manufacturing employment, and 16% decline in Office employment;*
- *New establishment growth was concentrated in the Service, Retail, Institution and Office sectors, with a decline in Manufacturing establishments;*
- *With a net occupied land base of 760.1 ha, there is 22.7 million sq. ft. of industrial building space with an average vacancy rate of 5.0% in 2011. Tapscott has the city's largest inventory of vacant*
- *This District is the fourth largest in terms of total industrial inventory (in square footage terms). It accounts for over 8% of the City of Toronto's total industrial inventory.*
- *Most built industrial space dates to the 1970's and 1980's, concentrated in buildings with clear ceiling heights between 16 to 20 feet;*
- *This District has the third highest proportion across the City of Toronto in terms of the share of its industrial inventory with a ceiling clear height exceeding 24'. This category accounts for approximately 18% of the inventory, compared to an average of 11.6% City-wide.*
- *This District is among the top five across the City of Toronto in terms of the proportion of its industrial inventory constructed since 1980. This category accounts for over 52% of the inventory, compared to an average of 15% City-wide.*
- *The District is accessed by Steeles, Finch and Sheppard Avenues and Markham Road. It is served by a number of bus transit routes;*
- *Of persons living in the GTAH, residents of Toronto hold 60% of the jobs located in the District.*

Figure D.13.1: Profile Data for the Tapscott / Marshalling Yard Employment District, 2001, 2006 and 2011

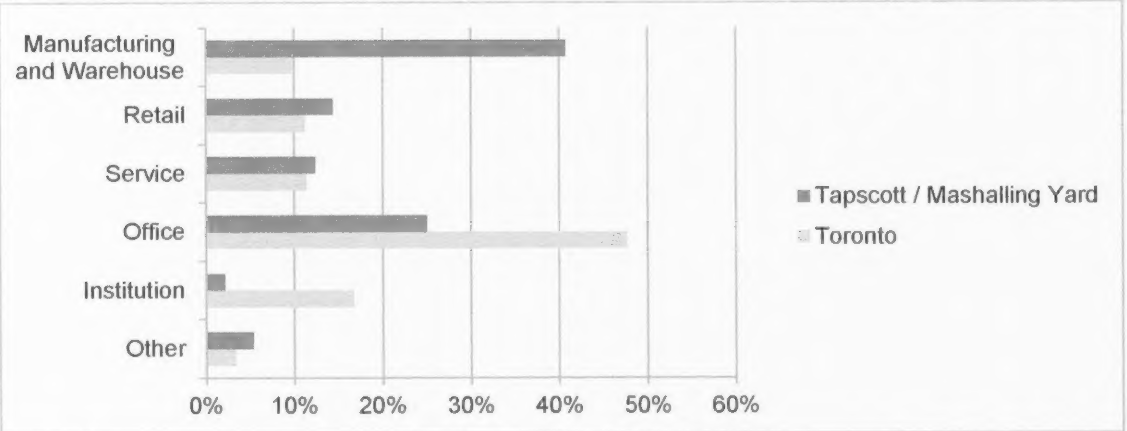
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	935.4	-	8.3%
Vacant Area (Ha)	-	-	175.3	-	19.1%
Vacant Area (% of Net)	-	-	18.7%	-	-
Employment (Total PT & FT)	31,840	32,700	30,745	-3.4%	2.3%
No. of Establishments	1,738	2,015	2,078	20.0%	2.8%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	73%, 13%, 6%, 4%, 4%	76%, 12%, 6%, 4%, 3%	79%, 10%, 5%, 3%, 3%	-	-
Industrial Inventory (sq.ft)	-	-	22,780,039	-	8.5%
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.23	-	-
Total Non Res. Assessment ($)	$694,912,675	-	$1,990,122,017	0.7x	2.5%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

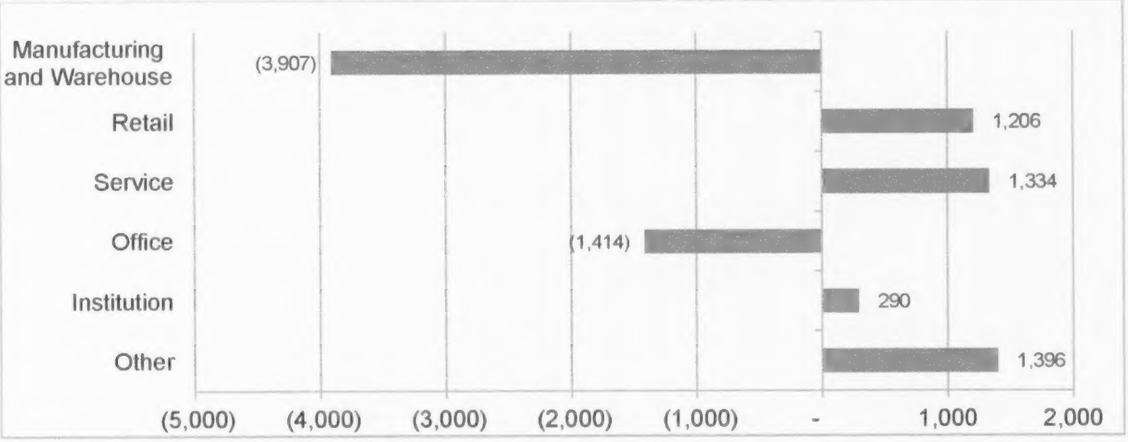
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.13.2: Employment Structure in the Tapscott / Marshalling Yard District by Major Sector, 2011



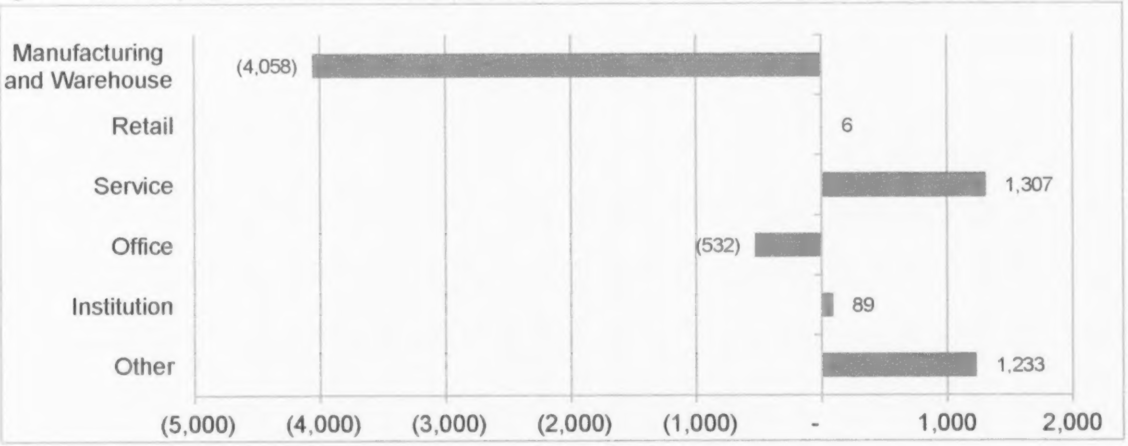
Source: City of Toronto Employment Survey, 2011

Figure D.13.3: Employment Growth in the Tapscott / Marshalling Yard District by Major Sector, 2001 to 2011



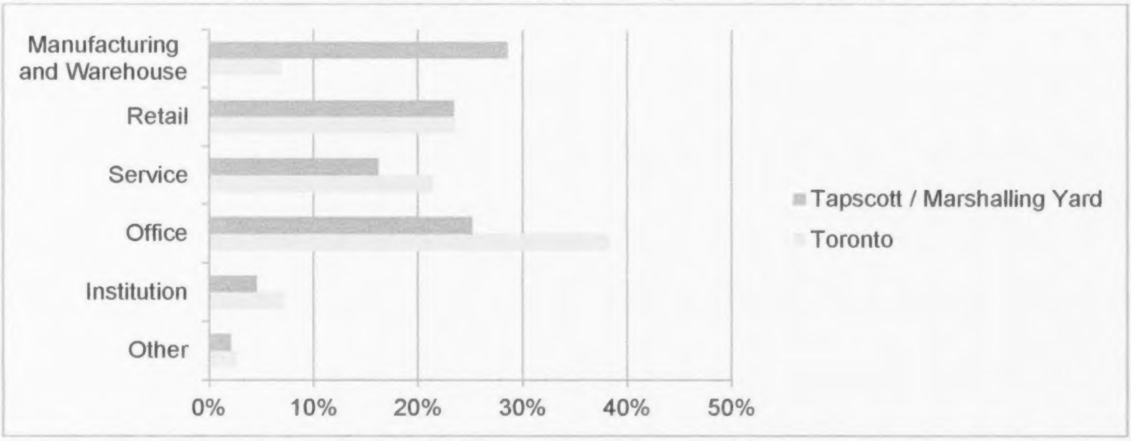
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.13.4: Employment Growth in the Tapscott / Marshalling Yard District by Major Sector, 2006 to 2011



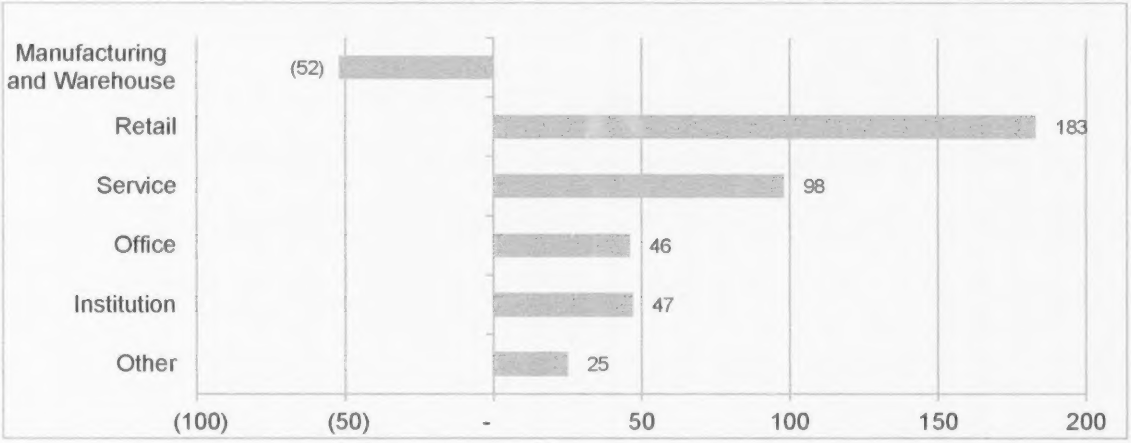
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.13.5: Establishment Structure in the Tapscott/Marshalling Yard District by Major Sector, 2011



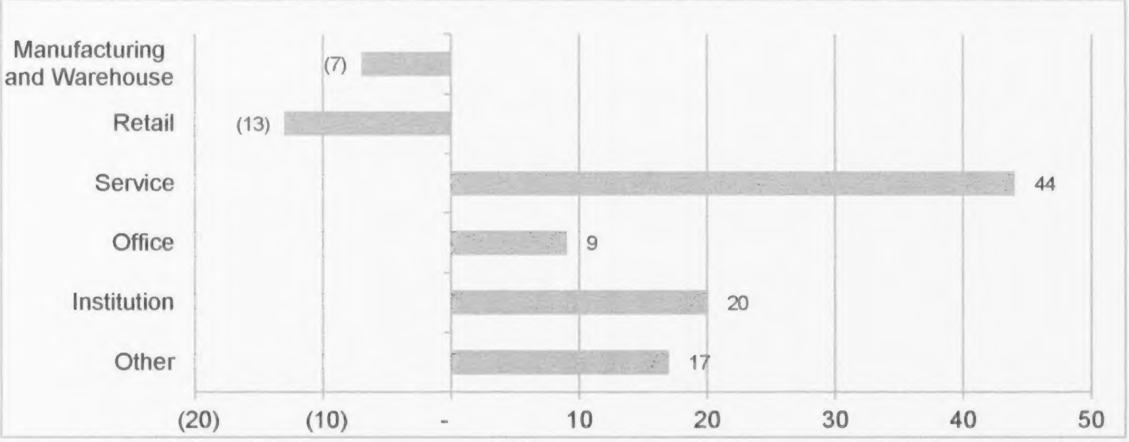
Source: City of Toronto Employment Survey, 2011

Figure D.13.6: Establishment Growth in the Tapscott / Marshalling Yard District by Major Sector, 2001 to 2011



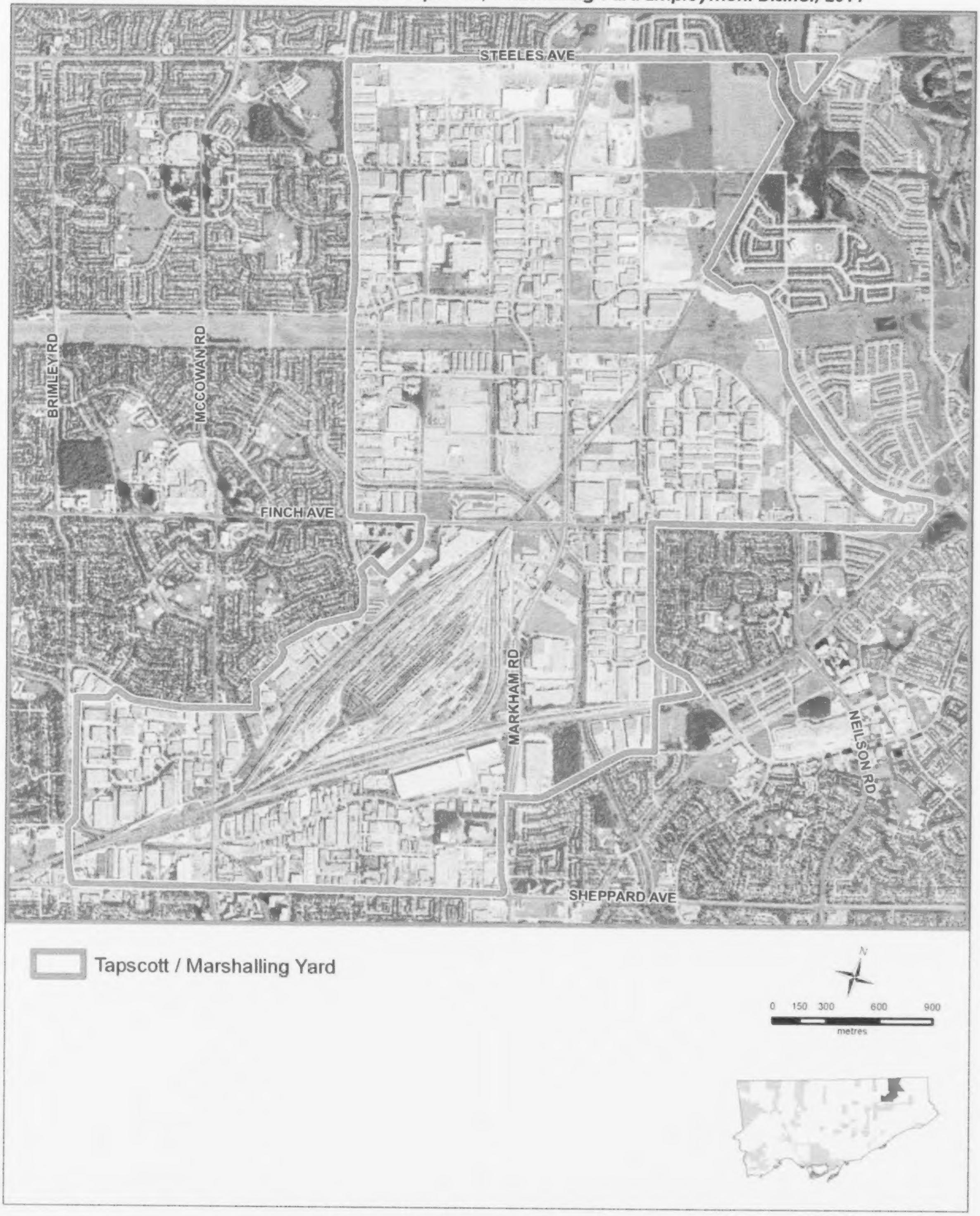
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.13.7: Establishment Growth in the Tapscott / Marshalling Yard District by Major Sector, 2006 to 2011



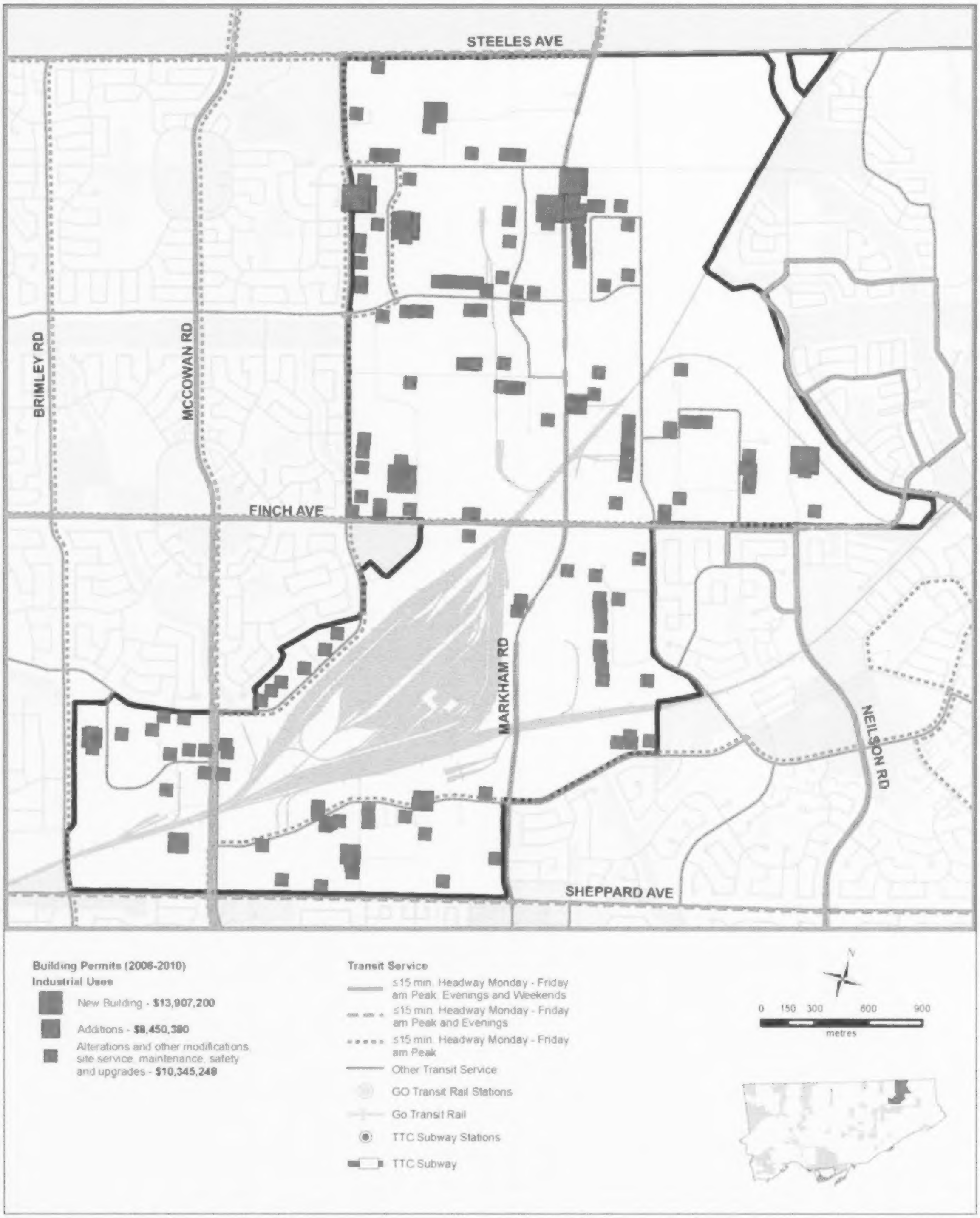
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.13.8: Extent and Character of the the Tapscott / Marshalling Yard Employment District, 2011


STEELES AVE
BRIMLEY RD
MCCOWAN RD
FINCH AVE
MARKHAM RD
NEILSON RD
SHEPPARD AVE
Tapscott / Marshalling Yard
N
0 150 300 600 900
metres

Source: 2012 Google Earth; © 2012 Digital Globe; © 2012 TerraMetrics

Figure D.13.9: Industrial Re-investment and Transit Services in the Tapscott / Marshalling Yard Employment District, 2006-2010


STEELES AVE
BRIMLEY RD
MCCOWAN RD
FINCH AVE
MARKHAM RD
NEILSON RD
SHEPPARD AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $13,907,200
Additions - $8,450,380
Alterations and other modifications site service, maintenance, safety and upgrades - $10,345,248
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 150 300 600 900
metres

Source: City of Toronto. Toronto Transit Commission.

Figure D.13.10: Ceiling Height for Industrial Space in the Tapscott / Marshalling Yard h Employment District, 2011

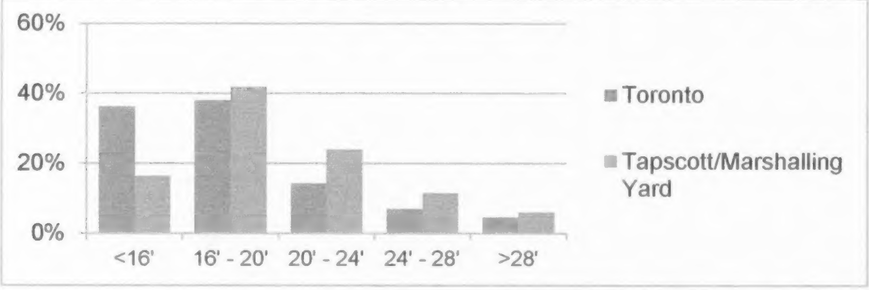


Figure D.13.11: Built Year for Industrial Space in the Tapscott / Marshalling Yard South Employment District, 2011

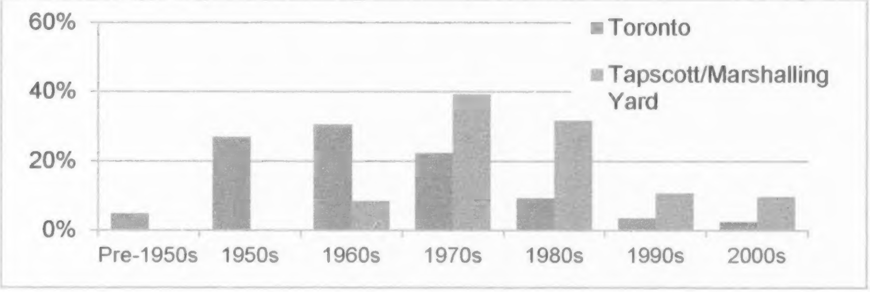
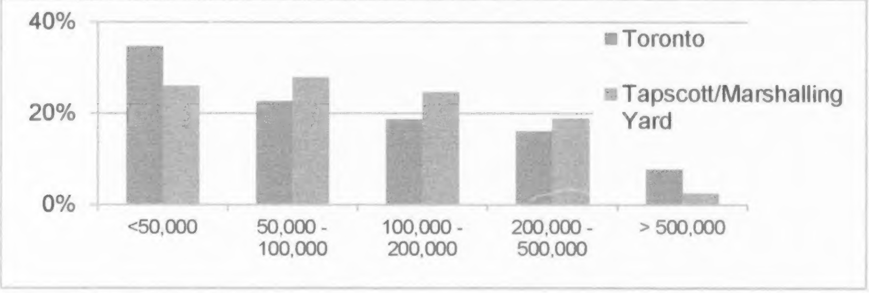
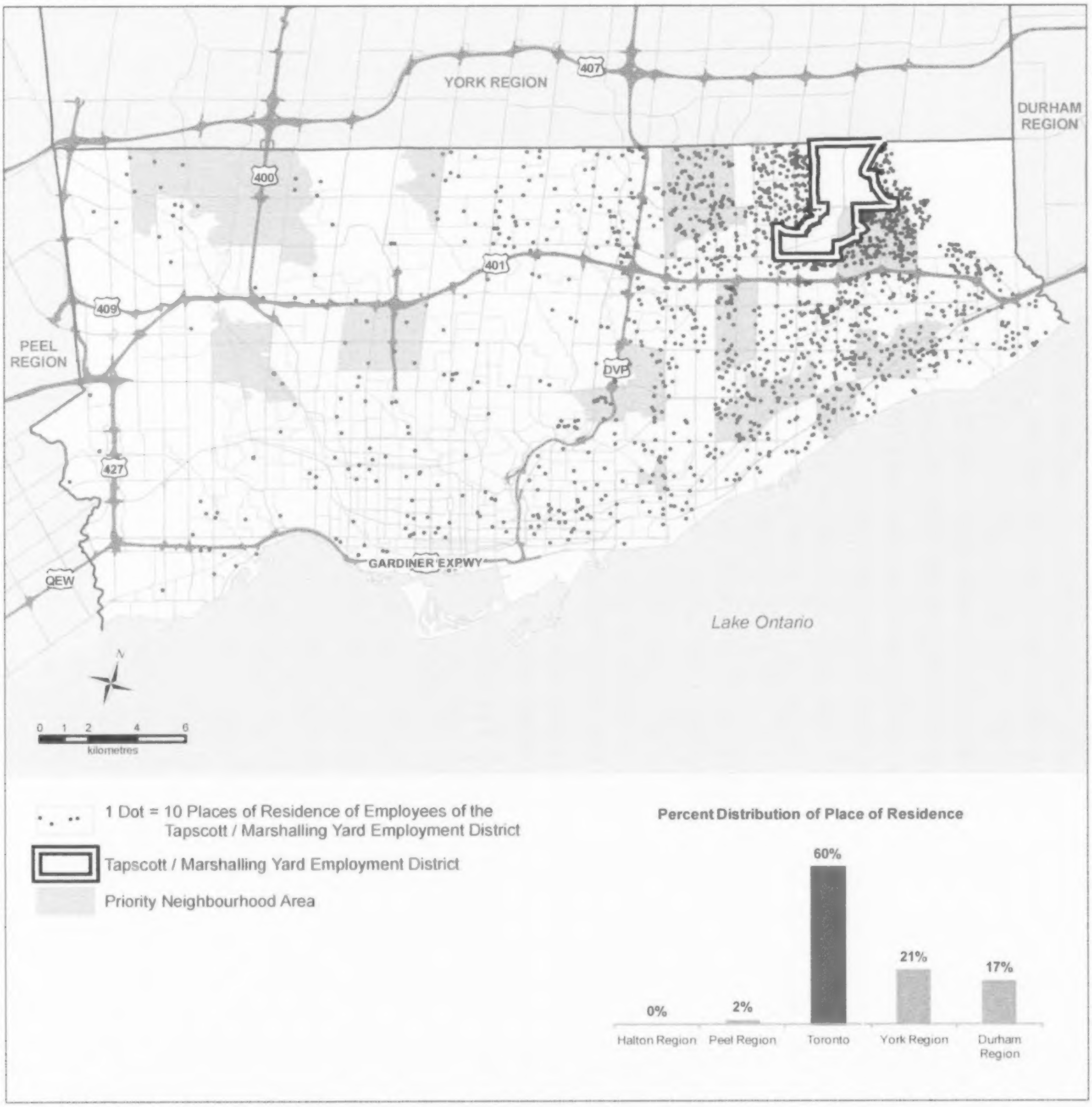


Figure D.13.12: Building Size for Industrial Space in the Tapscott / Marshalling Yard Employment District, 2011



Source: C&W, 2011 Q4

Figure D.13.13: Distribution of Place of Residence for Employment in the Tapscott / Marshalling Yard Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Tapscott / Marshalling Yard Employment District
Tapscott / Marshalling Yard Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
0%
2%
60%
21%
17%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.14 Scarborough Highway 401 Corridor Employment District

The Scarborough Hwy 401 Corridor Employment District is located along the Hwy. 401 corridor between Morningside Ave. and McCowan Rd. In 2011, the district employed 15,960 people, predominantly within the Office sector followed by Manufacturing and Warehousing.

Key Facts:

- ***The Scarborough Highway 401 District employed 16,669 people in 2011, a 7.2% decline from 2006 and a 2.9% decline from 2001;***
- ***It supported 1.3% of the City's employment in 2011, and 1.33% of its non-residential assessment;***
- ***The District had $20.4 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Institutional (43%) and Service (24%) sectors, with a 15% decline in its Office employment, 10% decline in its Manufacturing employment, and 7% decline in its Retail sector;***
- ***New establishment growth occurred across all sectors, and was concentrated in the institutional and office sectors;***
- ***With a net occupied land base of 289.2 ha, there is 7 million sq. ft. of industrial building space with an average vacancy rate of 5.0% in 2011;***
- ***Most built industrial space dates to the 1960's and 1970's, concentrated in buildings with clear ceiling heights between 16 to 20 feet;***
- ***This District has the second highest proportion across the City of Toronto in terms of the share of its industrial inventory with a ceiling clear height exceeding 24'. This category accounts for approximately 22% of the inventory, compared to an average of 11.6% City-wide.***
- ***This District is also among the top five across the City of Toronto in terms of the proportion of its industrial inventory constructed since 1980. This category accounts for almost 27% of the inventory, compared to an average of 15% City-wide.***
- ***The District is accessed from the 401 with interchanges at Morningside Avenue, Neilson Road and Markham Road, and is served by the SRT west of the District and numerous bus routes throughout;***
- ***Of persons living in the GTAH, residents of Toronto hold 56% of the jobs located in the District.***

Figure D.12.1: Profile Data for the Scarborough Highway 401 Corridor Employment District, 2001, 2006 and 2011

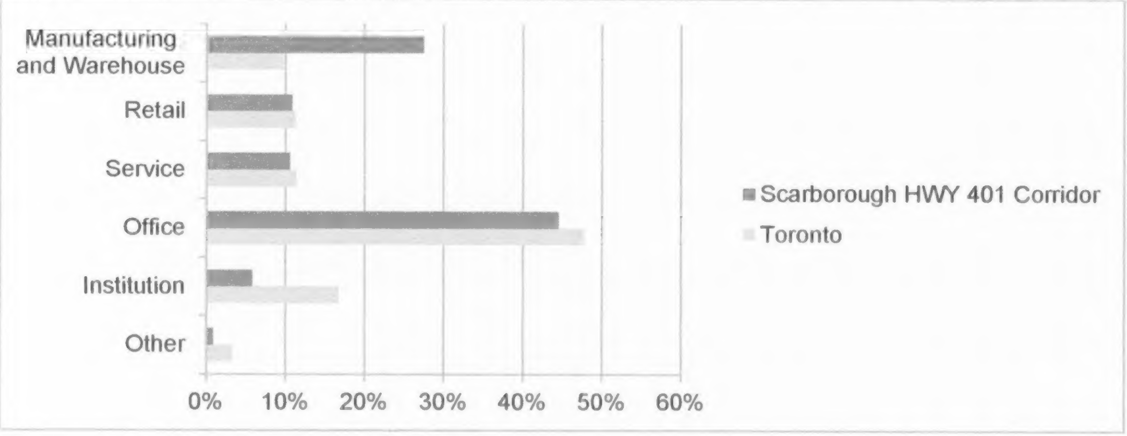
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	302.6	-	2.7%
Vacant Area (Ha)	-	-	13.4	-	1.5%
Vacant Area (% of Net)	-	-	4.4%	-	-
Employment (Total PT & FT)	17,174	17,957	16,669	-2.9%	1.3%
No. of Establishments	781	859	956	22.4%	1.3%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	67%, 19%, 7%, 4%, 3%	71%, 16%, 6%, 4%, 3%	76%, 12%, 6%, 3%, 3%	-	-
Industrial Inventory (sq.ft)	-	-	6,990,031	-	2.6%
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.23	-	-
Total Non Res. Assessment ($)	$407,325,946	-	$1,062,696,995	0.6x	1.3%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

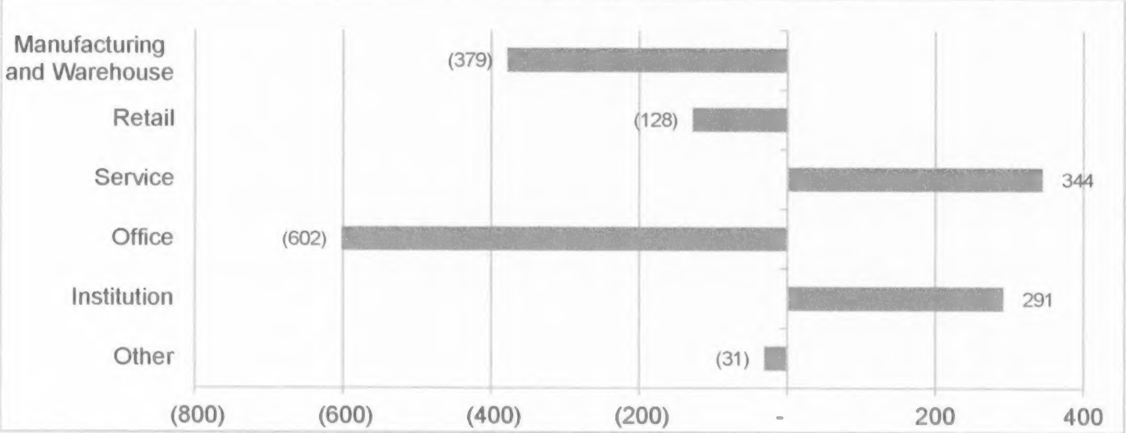
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.12.2: Employment Structure in the Scarborough Highway 401 Corridor District by Major Sector, 2011



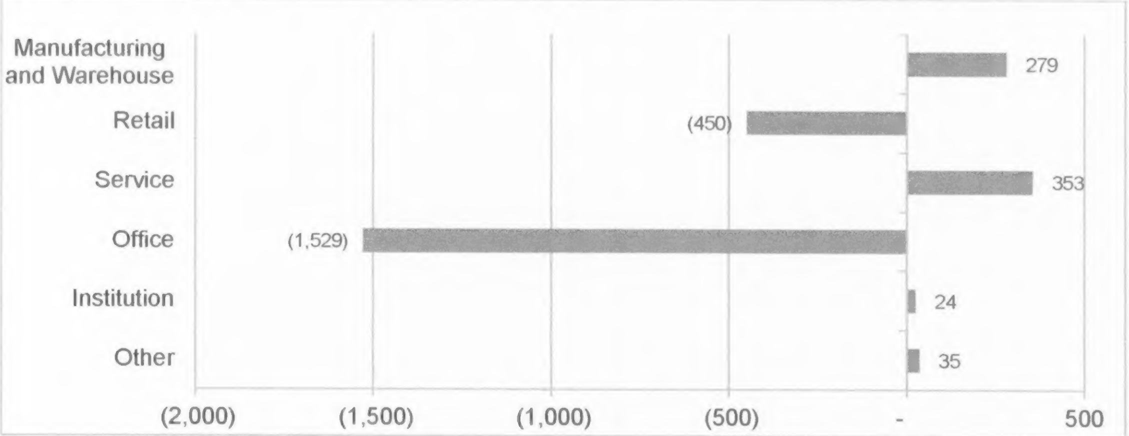
Source: City of Toronto Employment Survey, 2011

Figure D.12.3: Employment Growth in the Scarborough Hwy 401 Corridor District by Major Sector, 2001 to 2011



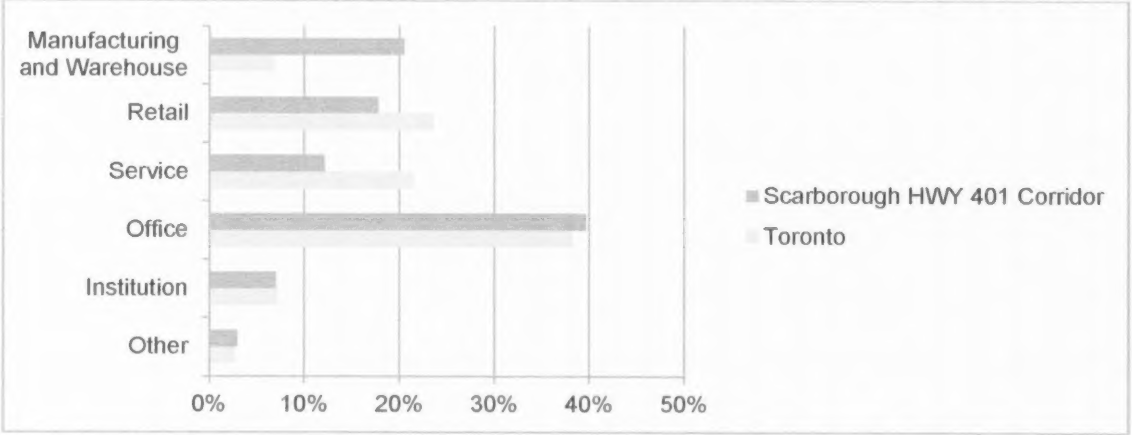
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.12.4: Employment Growth in the Scarborough Hwy 401 Corridor District by Major Sector, 2006 to 2011



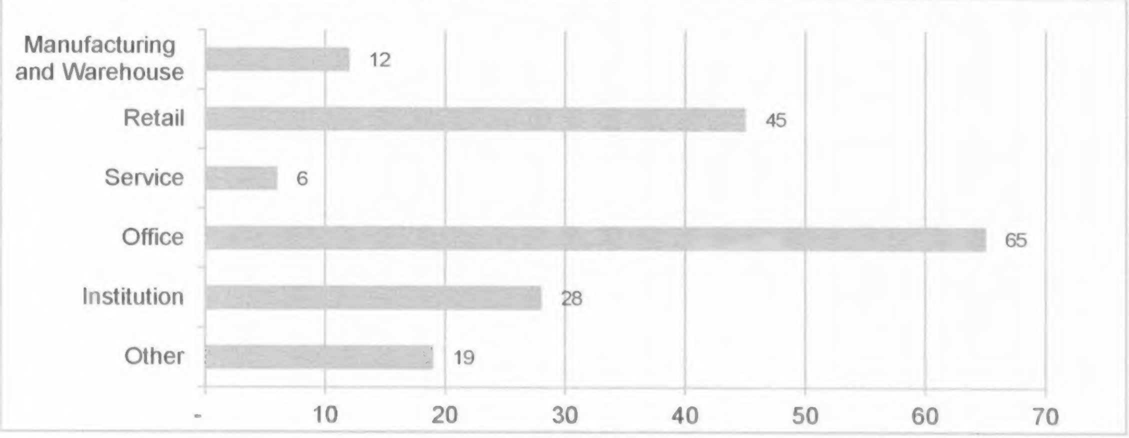
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.12.5: Establishment Structure in the Scarborough Highway 401 Corridor District by Major t Sector, 2011



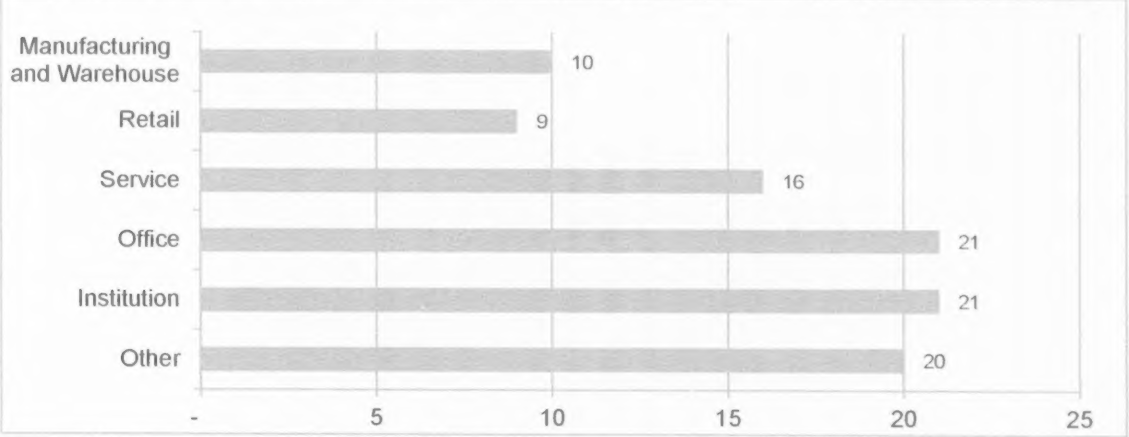
Source: City of Toronto Employment Survey, 2011

Figure D.12.6: Establishment Growth in the Scarborough Hwy 401 Corridor District by Major Sector, 2001 to 2011



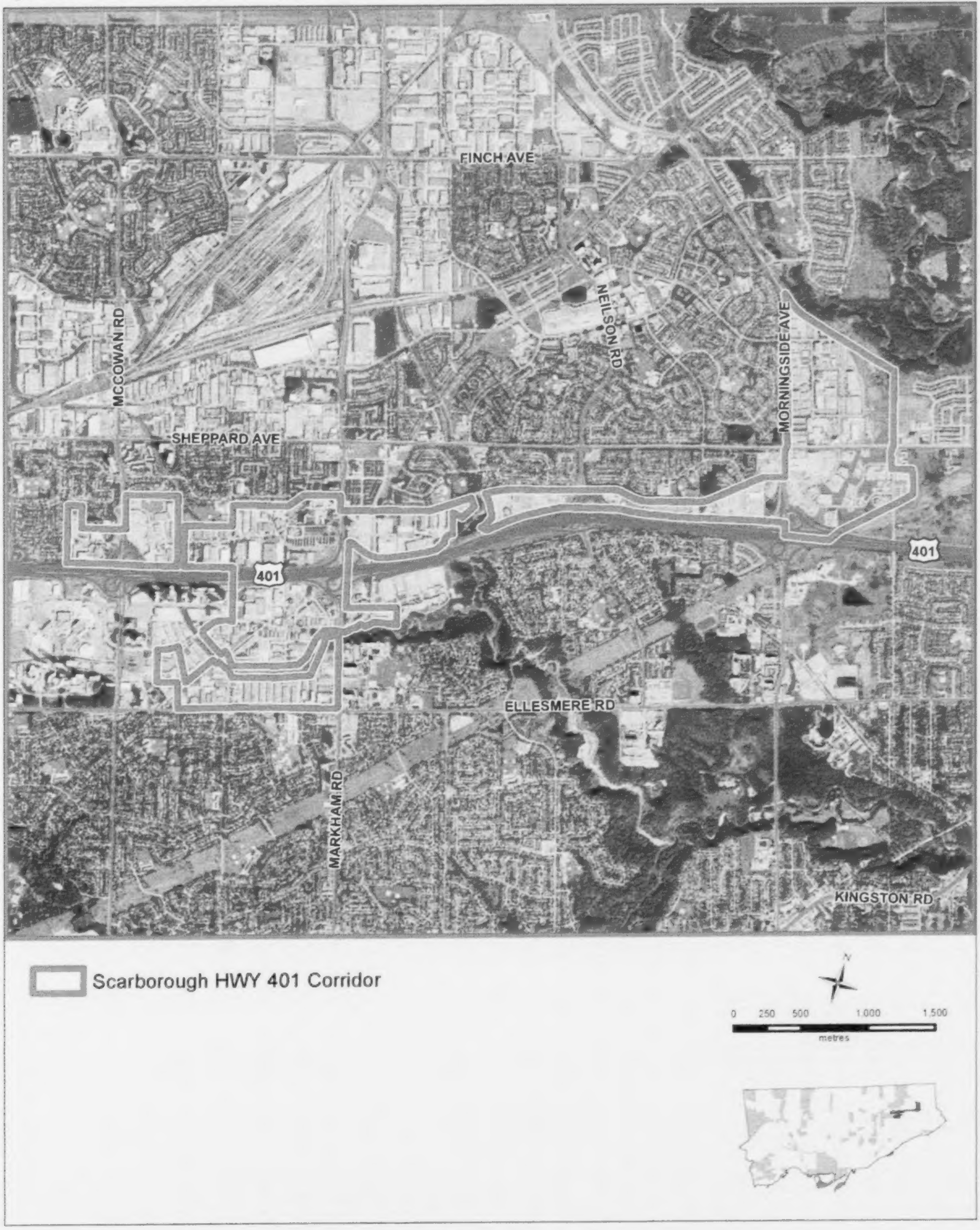
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.12.7: Establishment Growth in the Scarborough Hwy 401 Corridor District by Major Sector, 2006 to 2011



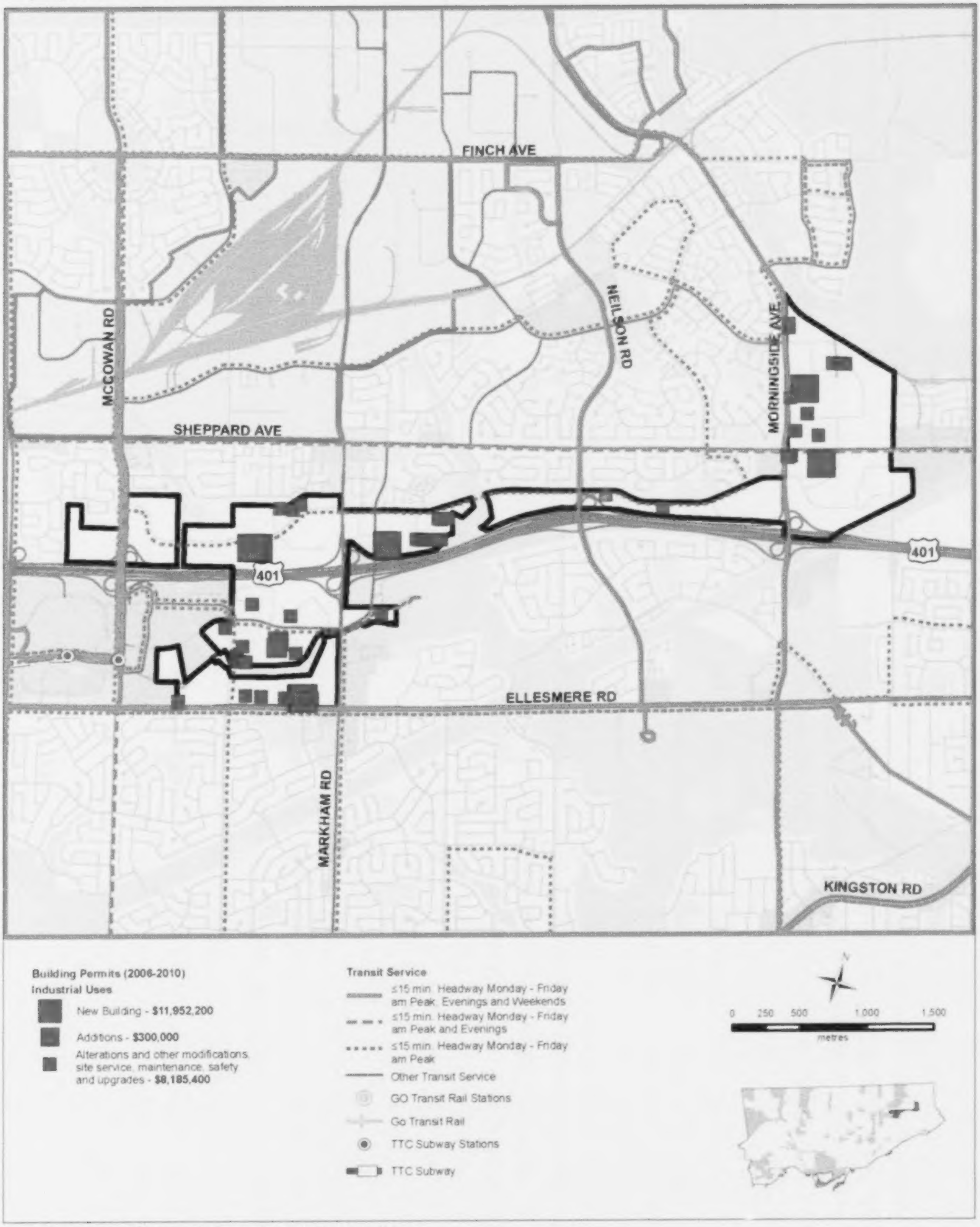
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.12.8: Extent and Character of the Scarborough Highway 401 Corridor Employment District, 2011


FINCH AVE
NEILSON RD
MORNINGSIDE AVE
MCCOWAN RD
SHEPPARD AVE
401
401
ELLESMERE RD
MARKHAM RD
KINGSTON RD
Scarborough HWY 401 Corridor
N
0
250
500
1,000
1,500
metres

Source: 2012 Google Earth; © 2012 Digital Globe; © 2012 TerraMetrics

Figure D.12.9: Industrial Re-investment and Transit Services in the Scarborough Highway 401 Corridor Employment District, 2006-2010


FINCH AVE
MCCOWAN RD
NEILSON RD
MORNINGSIDE AVE
SHEPPARD AVE
401
401
ELLESMERE RD
MARKHAM RD
KINGSTON RD
Building Permits (2006-2010)
Industrial Uses
New Building - $11,952,200
Additions - $300,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $8,185,400
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0
250
500
1,000
1,500
metres

Source: City of Toronto. Toronto Transit Commission

Figure D.12.10: Ceiling Height for Industrial Space in the Scarborough Highway 401 Corridor District, 2011

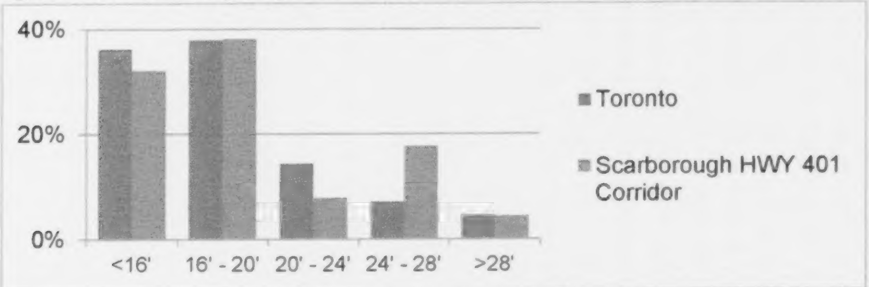


Figure D.12.11: Built Year for Industrial Space in the Scarborough Highway 401 Corridor Employment District, 2011

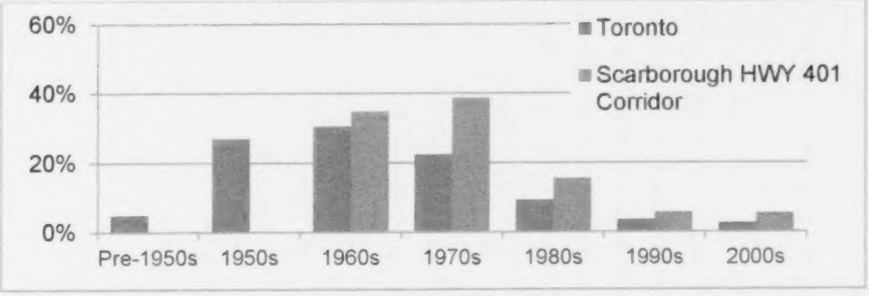
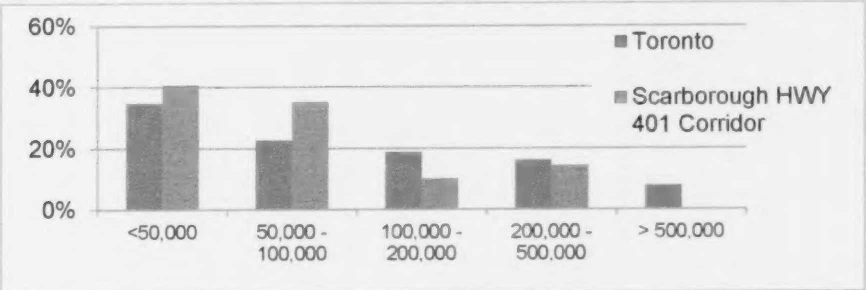
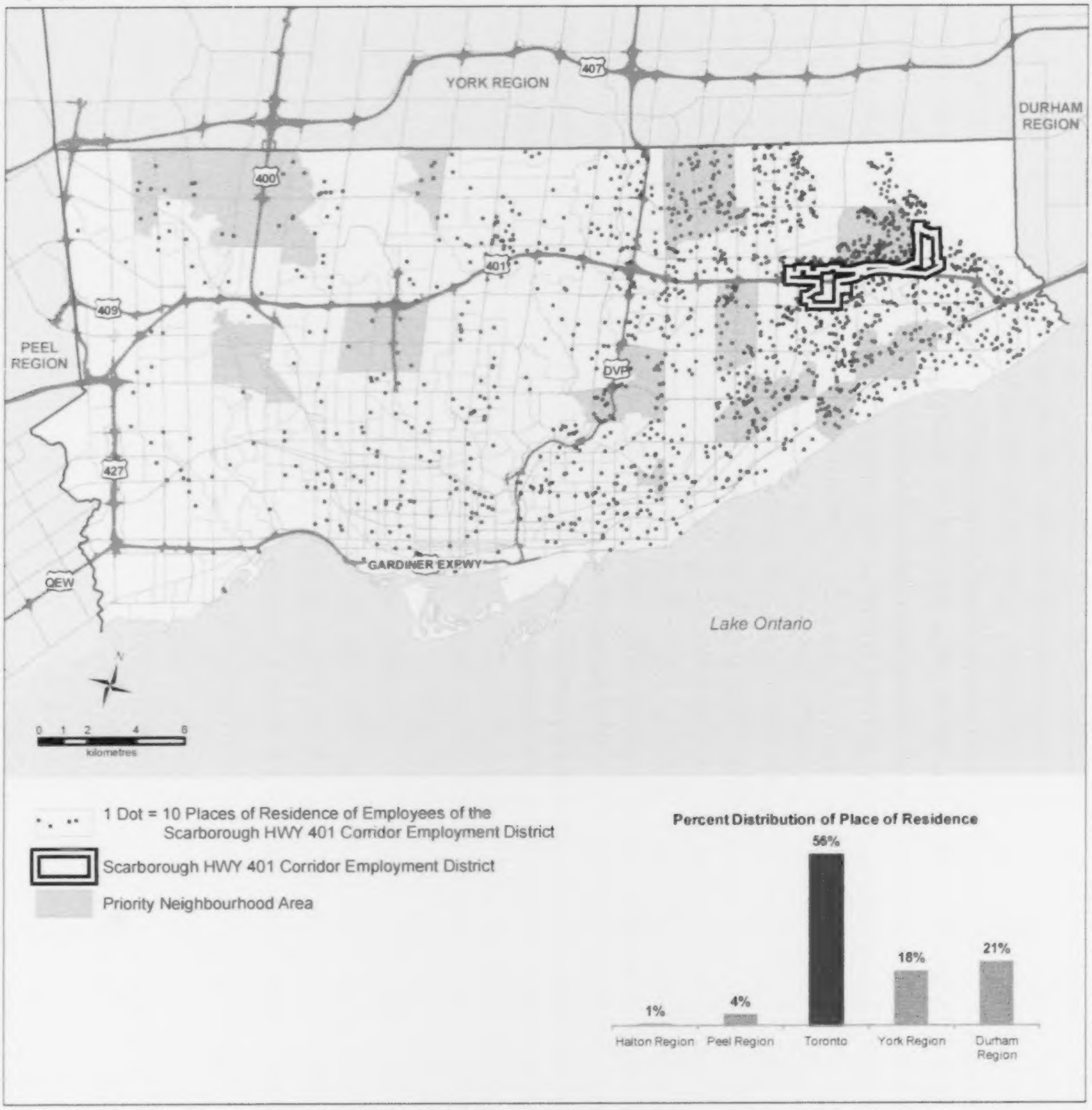


Figure D.12.12: Building Size for Industrial Space in the Scarborough Highway 401 Corridor District, 2011



Source: C&W, 2011 Q4

Figure D.12.13: Distribution of Place of Residence for Employment in the Scarborough Highway 401 Corridor Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Scarborough HWY 401 Corridor Employment District
Scarborough HWY 401 Corridor Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
4%
56%
18%
21%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.15 West Central Scarborough Employment District

The West Central Scarborough Employment District is located adjacent to Hwy. 401 between Midland Ave. to the east, Kennedy Rd. to the west, Sheppard Ave. to the north and Lawrence Ave. to the south. In 2011, this district employed 15,450 people, predominately in the Manufacturing and Warehousing sector followed by the Office sector. There is a significant retail presence along Kennedy Rd., with a concentration in furniture stores.

Key Facts:

- *The West Central Scarborough District employed 15,516 people in 2011, an 11.7% decline from 2006 and a 17.2% decline from 2001;*
- *It supported 1.2% of the City's employment in 2011, and 1.1% of its non-residential assessment;*
- *The District had $6.3 million in industrial building permit values between 2006 and 2010;*
- *Employment growth (2001 – 2011) occurred in its Institutional (150%), Service (19%) and Office (8%) sectors, with a 34% decline in its manufacturing employment, and 23% decline in retail employment;*
- *New establishment growth was concentrated in the institutional and service sectors, with a decline across manufacturing, retail and office sectors;*
- *With a net occupied land base of 274.8 ha, there is 9.1 million sq. ft. of industrial building space with an average vacancy rate of 5.0% in 2011;*
- *Most built industrial space dates to the 1960's, concentrated in buildings with clear ceiling heights between 16 to 20 feet;*
- *The District is accessed by Hwy 401 and Kennedy Road. It is served by bus transit on its arterial edges, and three SRT stations, with a GO Transit station just north of Sheppard Ave.;*
- *Of persons living in the GTAH, residents of Toronto hold 69% of the jobs located in the District.*

Figure D.15.1: Profile Data for the West Central Scarborough Employment District, 2001, 2006 and 2011

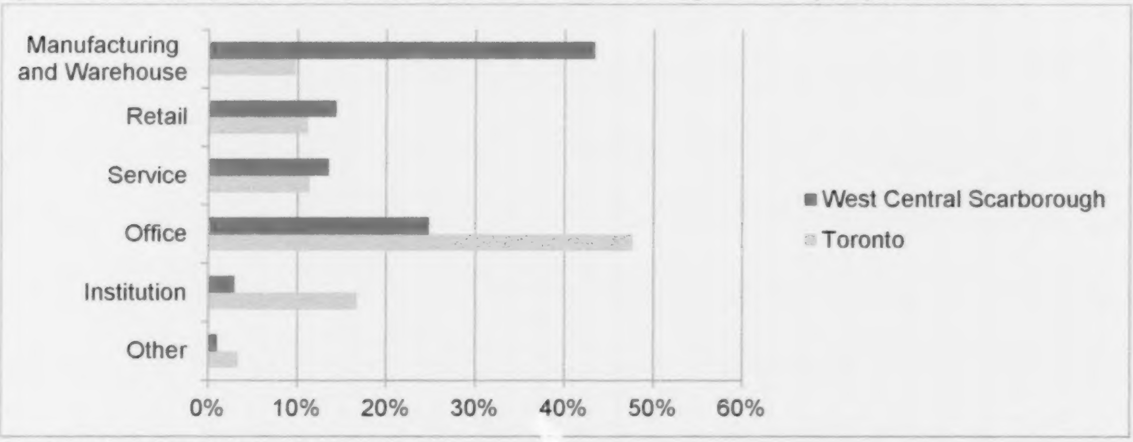
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	281.4	-	2.5%
Vacant Area (Ha)	-	-	6.6	-	0.7%
Vacant Area (% of Net)	-	-	2.3%	-	-
Employment (Total PT & FT)	18,736	17,577	15,516	-17.2%	1.2%
No. of Establishments	982	991	985	2.0%	1.3%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	71%, 15%, 7%, 4%, 4%	72%, 14%, 6%, 4%, 3%	77%, 12%, 5%, 3%, 3%	-	-
Industrial Inventory (sq.ft)	-	-	9,147,660	-	3.4%
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.23	-	-
Total Non Res. Assessment ($)	$425,501,269	-	$884,501,102	0.4x	1.1%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

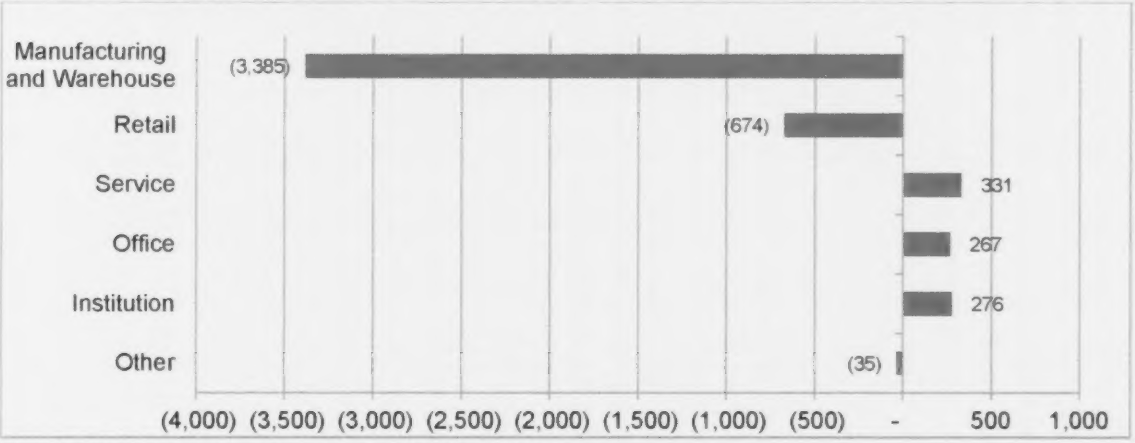
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.15.2: Employment Structure in the West Central Scarborough District by Major Sector, 2011



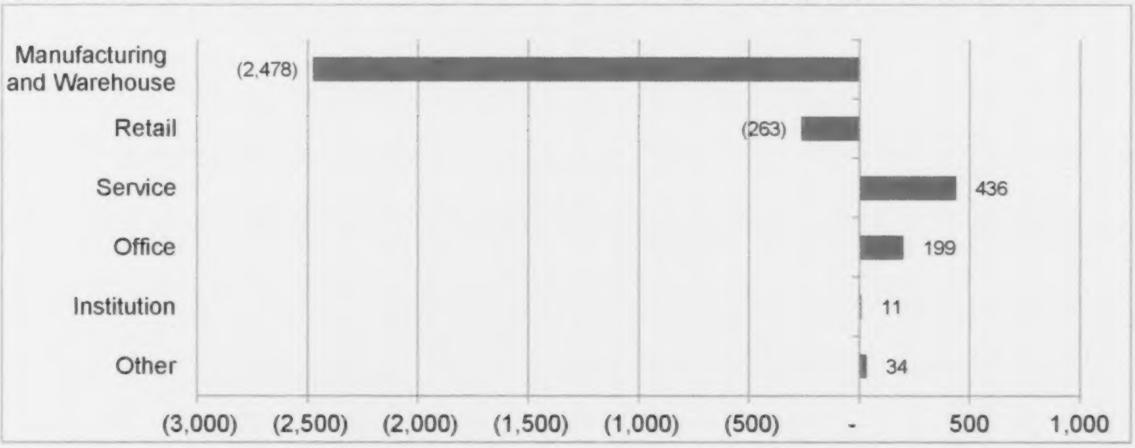
Source: City of Toronto Employment Survey, 2011

Figure D.15.3: Employment Growth in the West Central Scarborough District by Major Sector, 2001 to 2011



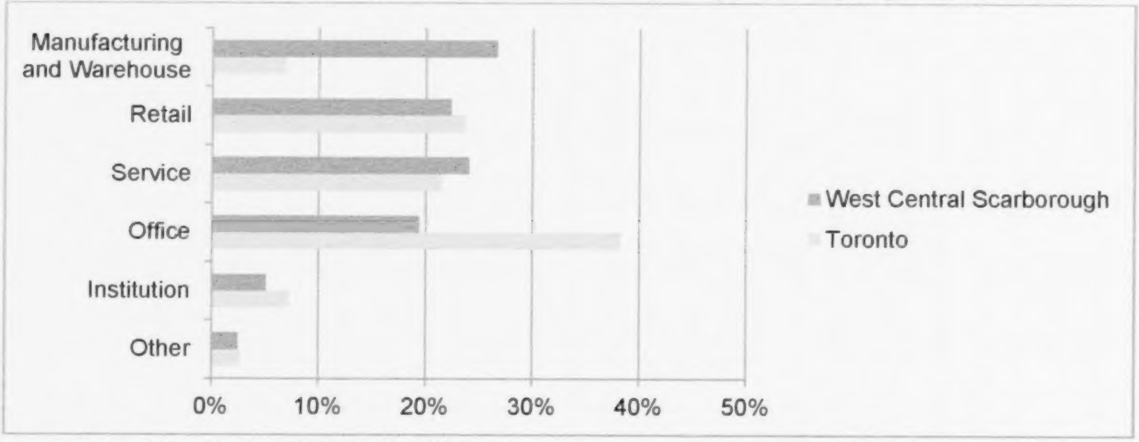
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.15.4: Employment Growth in the West Central Scarborough District by Major Sector, 2006 to 2011



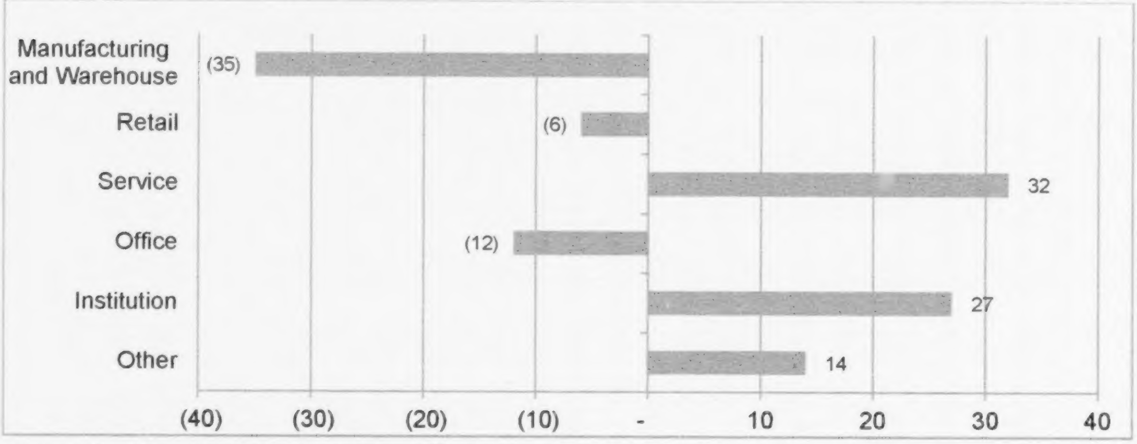
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.15.5: Establishment Structure in the West Central Scarborough District by Major Sector, 2011



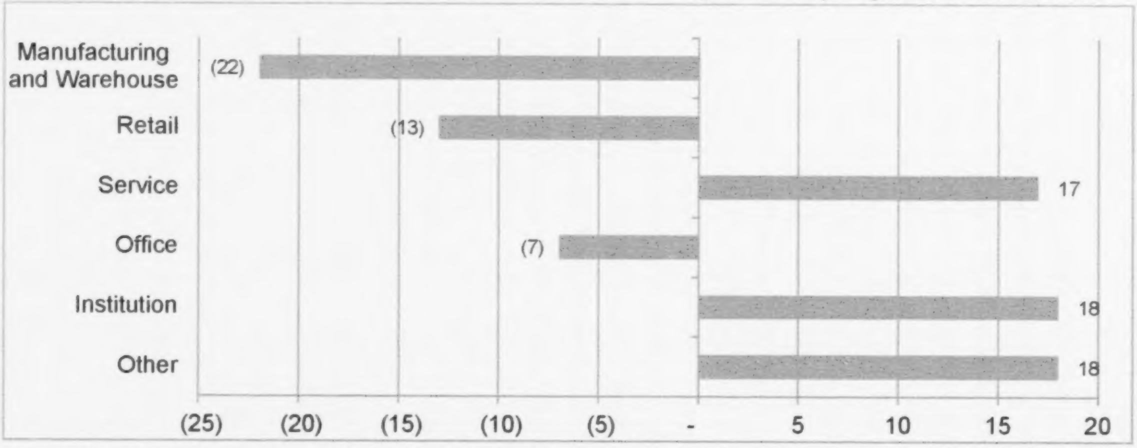
Source: City of Toronto Employment Survey, 2011

Figure D.15.6: Establishment Growth in the West Central Scarborough District by Major Sector, 2001 to 2011



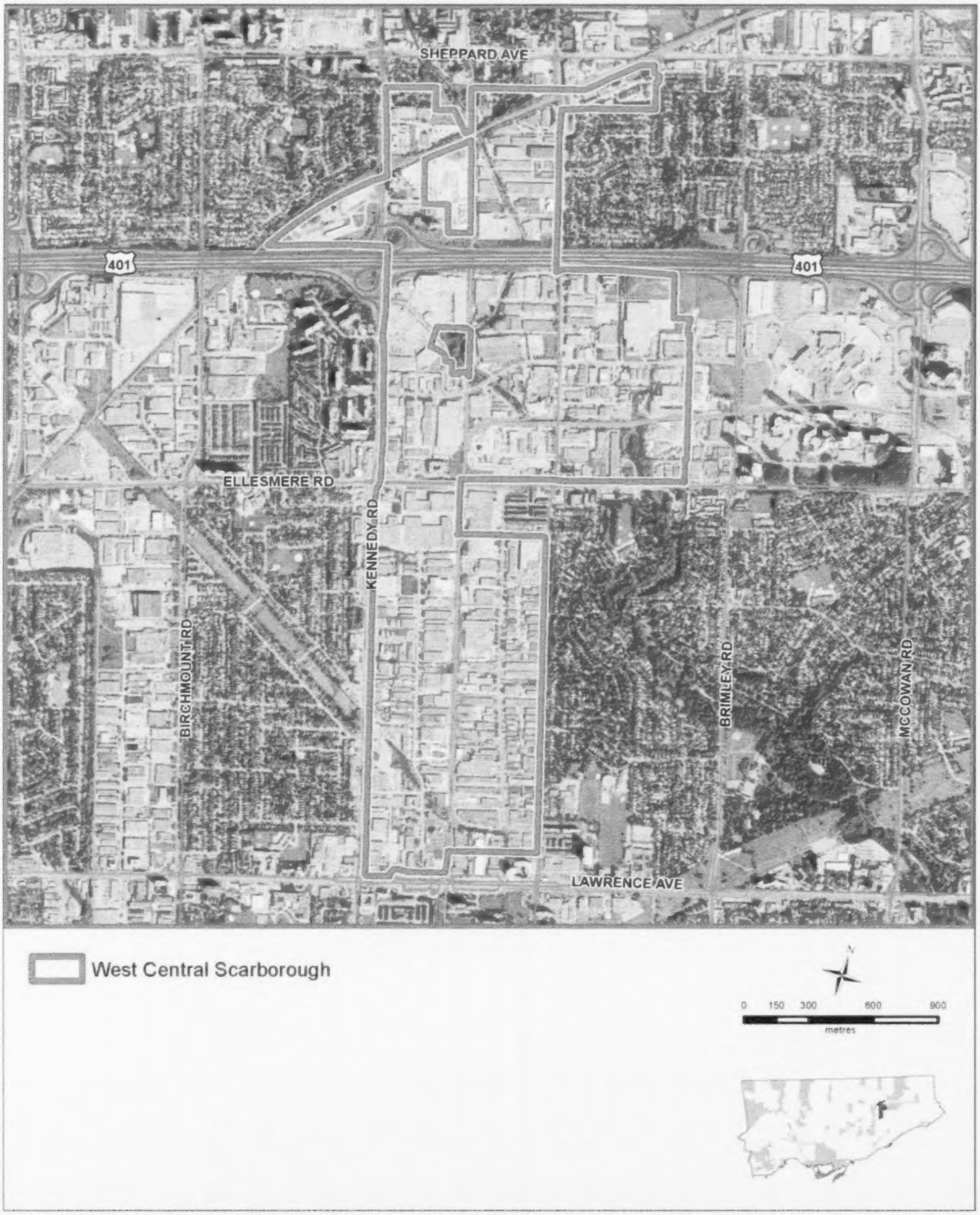
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.15.7: Establishment Growth in the West Central Scarborough District by Major Sector, 2006 to 2011



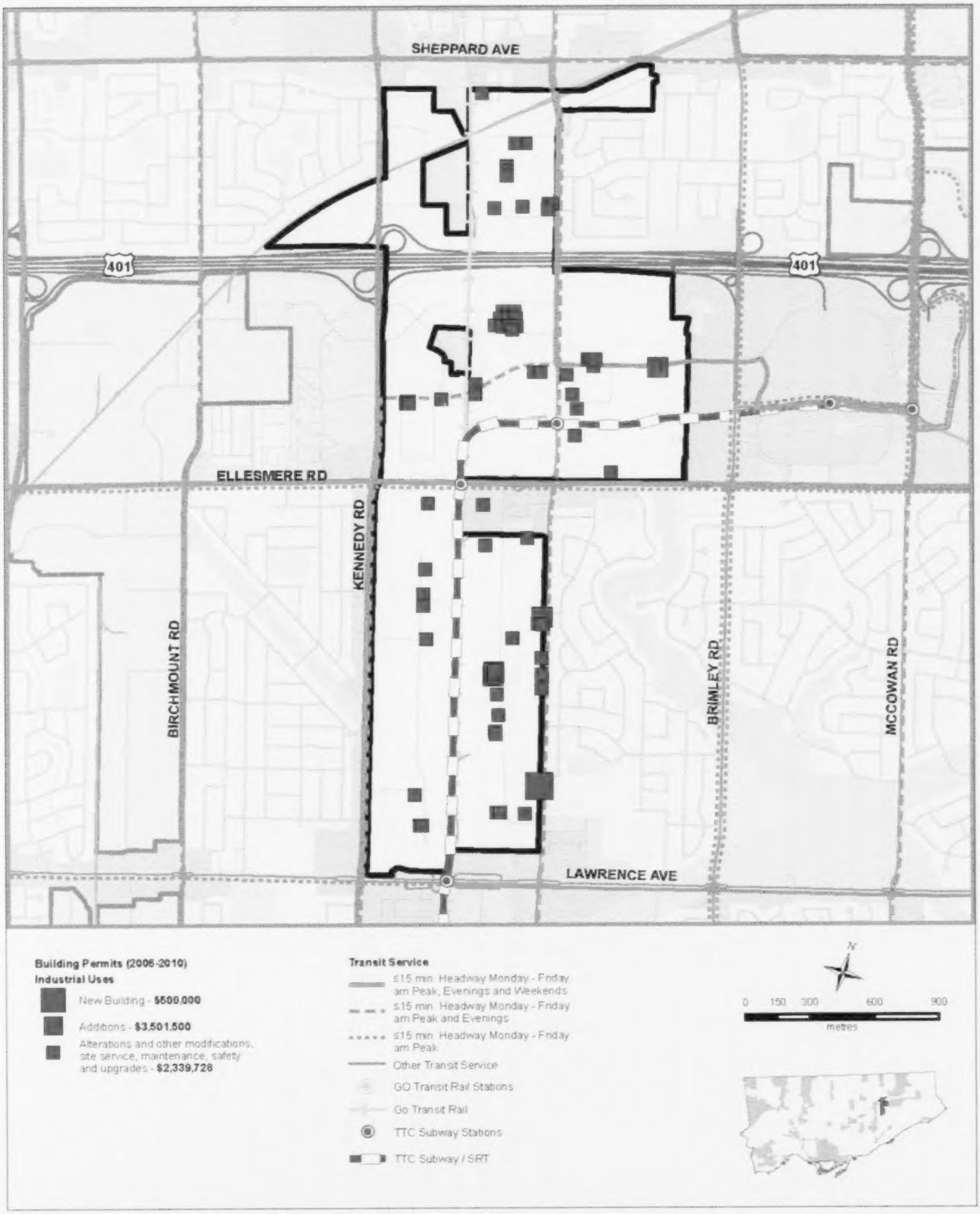
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.15.8: Extent and Character of the West Central Scarborough Employment District


SHEPPARD AVE
401
401
ELLESMERE RD
KENNEDY RD
BIRCHMOUNT RD
BRIMLEY RD
MCCOWAN RD
LAWRENCE AVE
West Central Scarborough
N
0 150 300 600 900
metres

Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.15.9: Industrial Re-investment and Transit Services in the West Central Scarborough Employment District, 2006-2010


SHEPPARD AVE
401
401
ELLESMERE RD
KENNEDY RD
BIRCHMOUNT RD
BRIMLEY RD
MCCOWAN RD
LAWRENCE AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $500,000
Additions - $3,501,500
Alterations and other modifications, site service, maintenance, safety and upgrades - $2,339,728
Transit Service
≤15 min Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min Headway Monday - Friday am Peak and Evenings
≤15 min Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway / SRT
N
0 150 300 600 900
metres

Source: City of Toronto. Toronto Employment Survey, 2011

Figure D.15.10: Ceiling Height for Industrial Space in the West Central Scarborough Employment District, 2011

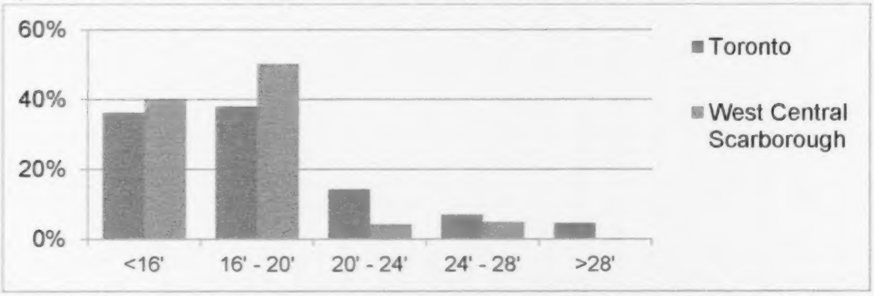


Figure D.15.11: Built Year for Industrial Space in the West Central Scarborough Employment District, 2011

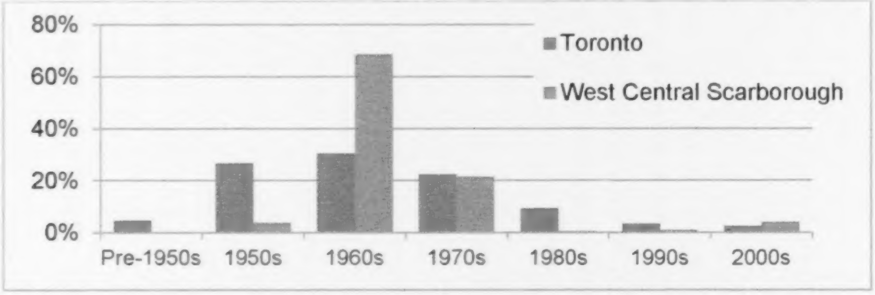
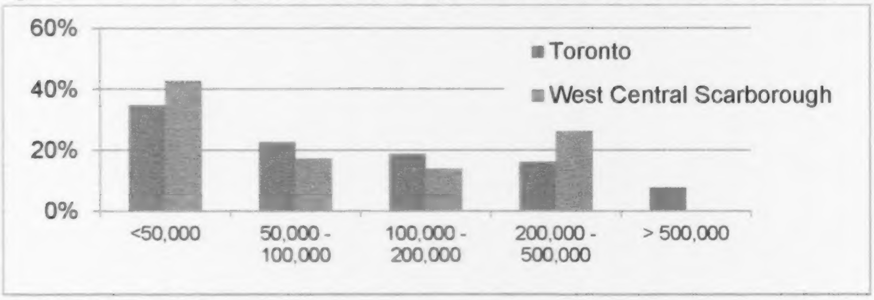
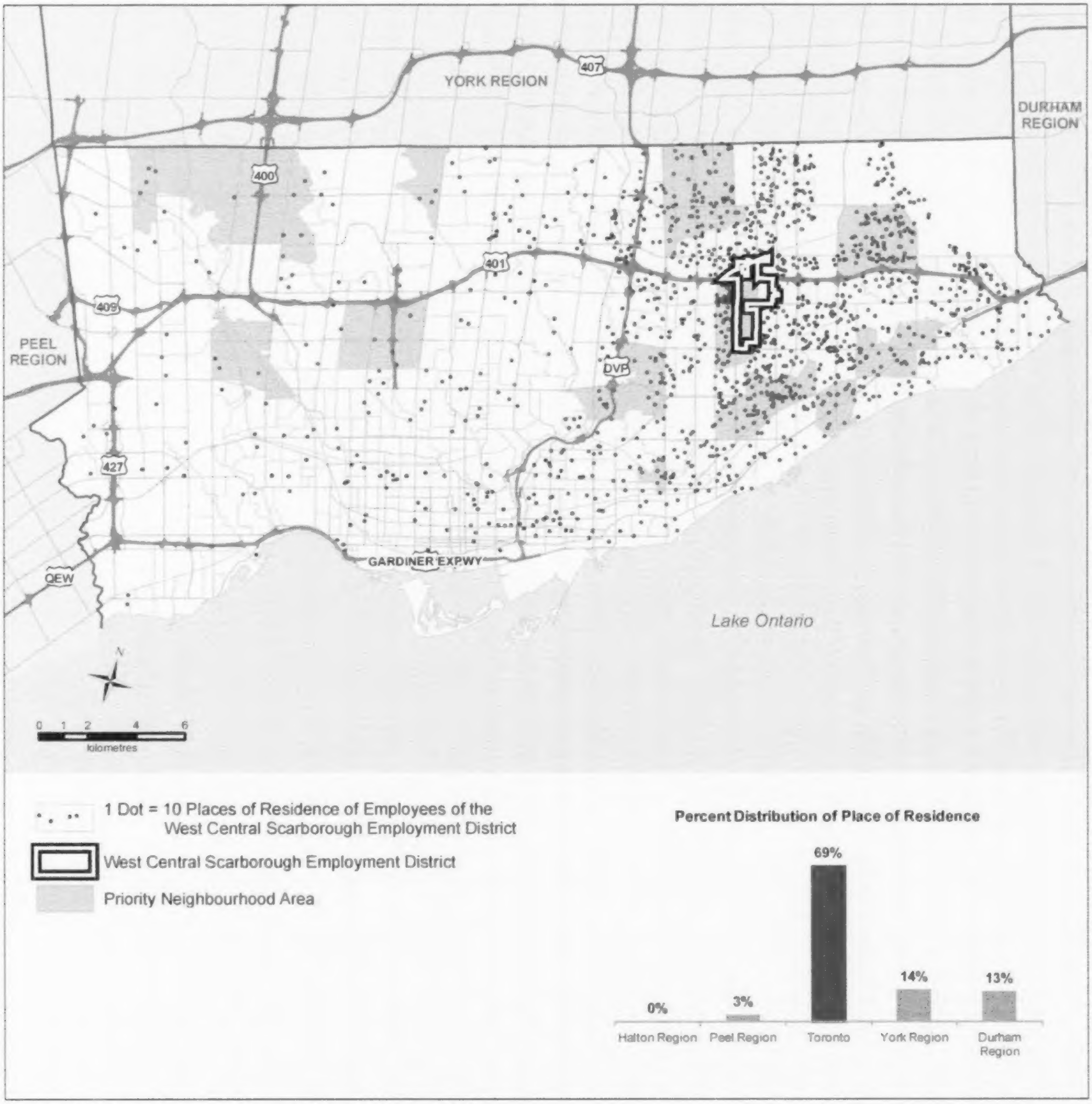


Figure B.15.12: Building Size for Industrial Space in the West Central Scarborough Employment District, 2011



Source: C&W, 2011 Q4

Figure B.15.13: Distribution of for Employment in the West Central Scarborough Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the West Central Scarborough Employment District
West Central Scarborough Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
0%
3%
69%
14%
13%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.16 South West Scarborough Employment District

The South West Scarborough Employment District is located just south of Hwy. 401 and is bounded by Birchmount Rd. to the east, Warden Ave. to the west, and St. Clair to the south. In 2011, this district employed 18,984 people, primarily within the Office, and Manufacturing and Warehousing sectors. There is a significant retail presence in the area south of Eglinton Ave. and west of Warden.

Key Facts:

- ***The South West Scarborough District employed 18,984 people in 2011, a 3.6% increase from 2006 and a 10% decline from 2001;***
- ***It supported 1.4% of the City's employment in 2011, and 1.4% of its non-residential assessment;***
- ***The District had $25.4 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Institution (103%), Service (9%) and Retail (7%) sectors, with a 40% decline in its manufacturing employment, and no growth in the office sector;***
- ***New establishment growth occurred across all sectors, except the office sector;***
- ***With a net occupied land base of 362.2 ha, there is 12 million sq. ft. of industrial building space with an average vacancy rate of 5.0% in 2011;***
- ***Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The District is accessed by Hwy 401, Victoria Park Road, Warden and Eglinton Avenues, and served by TTC bus transit along its edge arterials;***
- ***Of persons living in the GTAH, residents of Toronto hold 46% of the jobs located in the District.***

Figure D.16.1: Profile Data for the South West Scarborough Employment District, 2001, 2006 and 2011

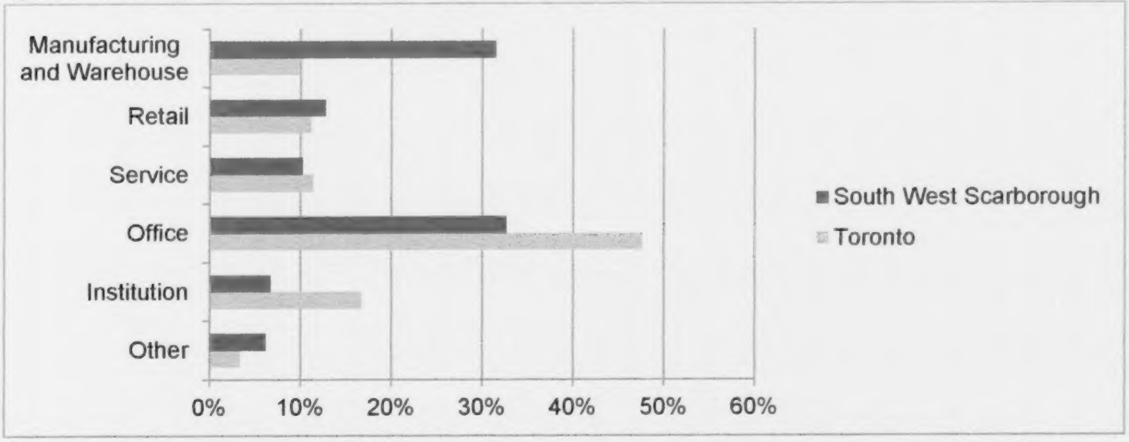
Variable	**2001**	**2006**	**2011**	**% Change 2001-2011**	**2011 % of City**
Area (Net Ha)	-	-	408.9	-	3.6%
Vacant Area (Ha)	-	-	46.7	-	5.1%
Vacant Area (% of Net)	-	-	11.4%	-	-
Employment (Total PT & FT)	21,089	18,328	18,984	-10.0%	1.4%
No. of Establishments	685	637	796	17.1%	1.1%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	62%, 16%, 9%, 7%, 6%	62%, 17%, 10%, 5%, 6%	69%, 13%, 7%, 5%, 5%	-	-
Industrial Inventory (sq.ft)	-	-	11,978,588	-	4.5%
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.23	-	-
Total Non Res. Assessment ($)	$412,373,956	-	$1,089,554,205	0.6x	1.4%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

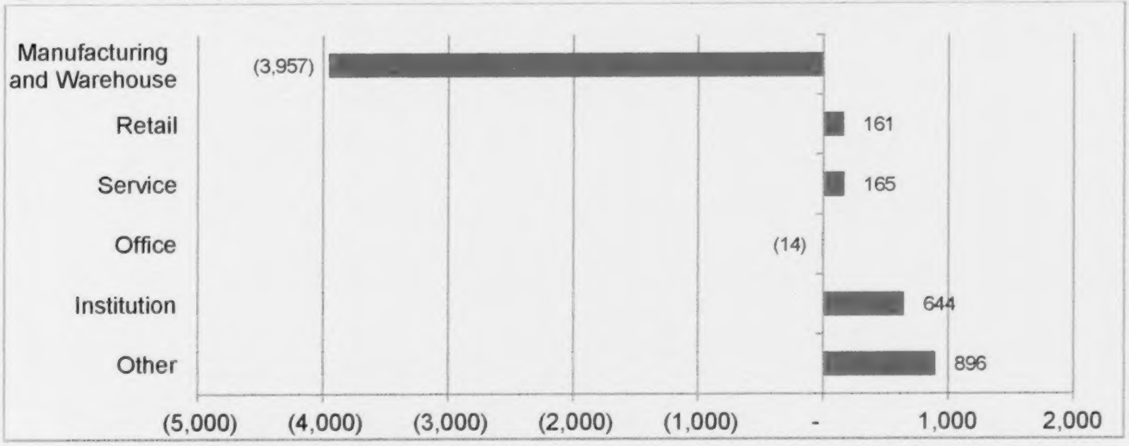
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.16.2: Employment Structure (% Distribution) in the South West Scarborough District by Major Sector, 2011



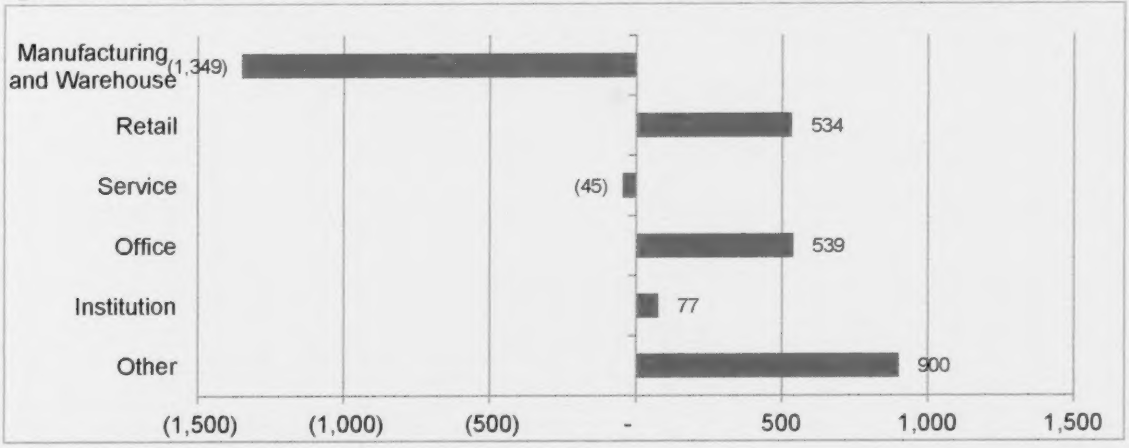
Source: City of Toronto Employment Survey, 2011

Figure D.16.3: Employment Growth in the South West Scarborough District by Major Sector, 2001 to 2011



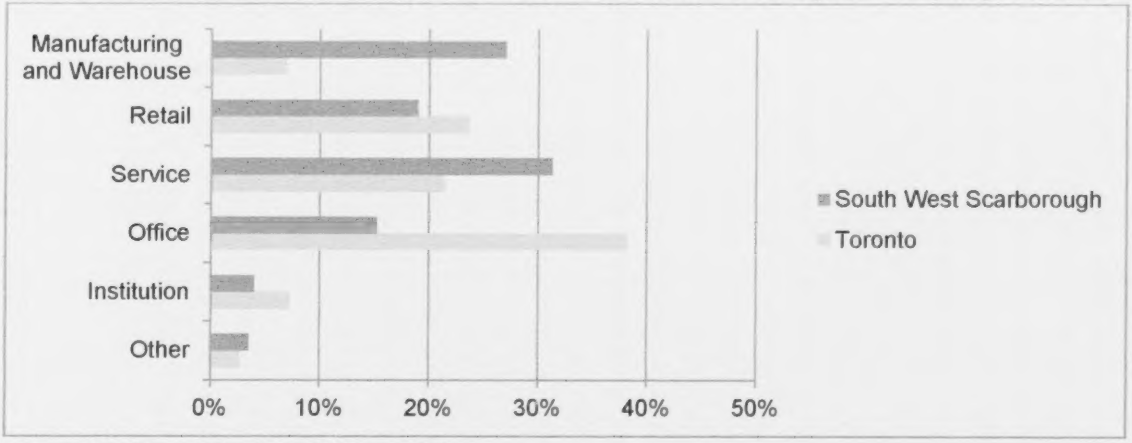
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.16.4: Employment Growth in the South West Scarborough District by Major Sector, 2006 to 2011



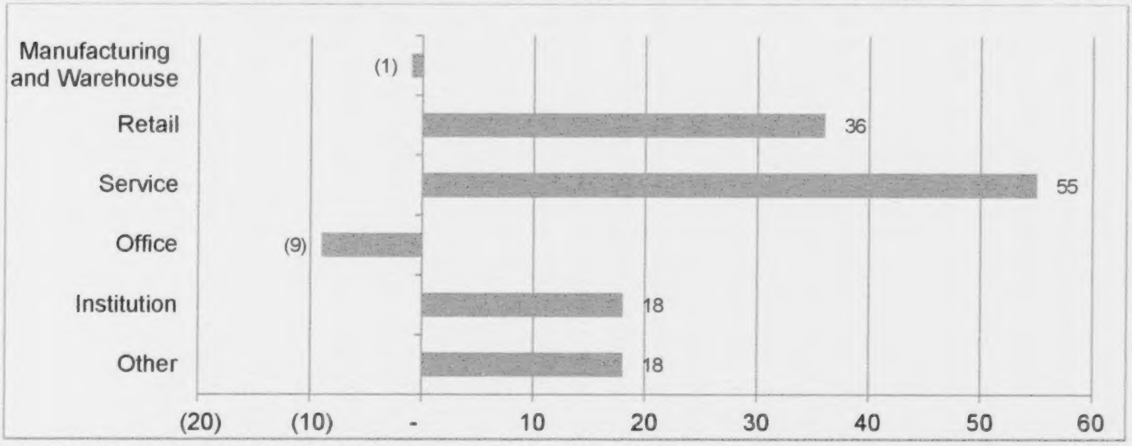
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.16.5: Establishment Structure (% Distribution) in South West Scarborough District by Major Sector, 2011



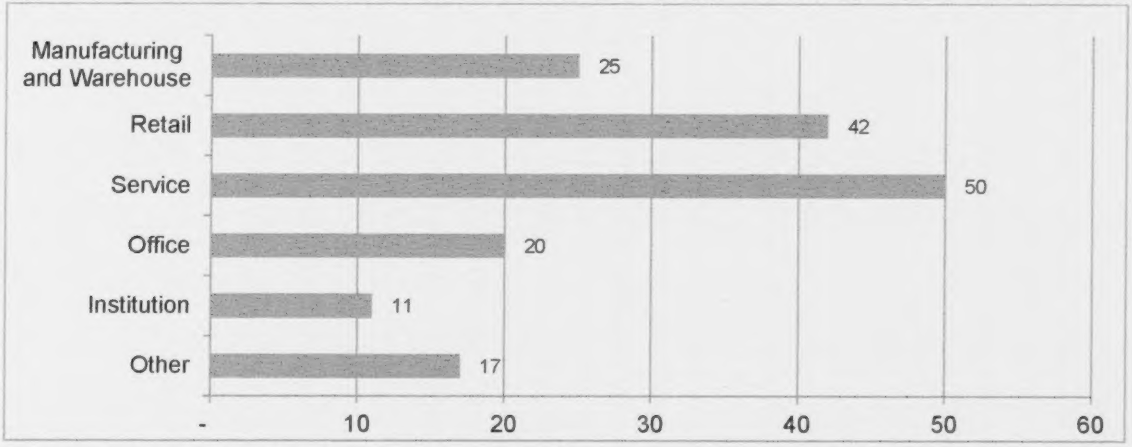
Source: City of Toronto Employment Survey, 2011

Figure D.16.6: Establishment Growth in the SW Scarborough Employment District by Major Sector, 2001 to 2011



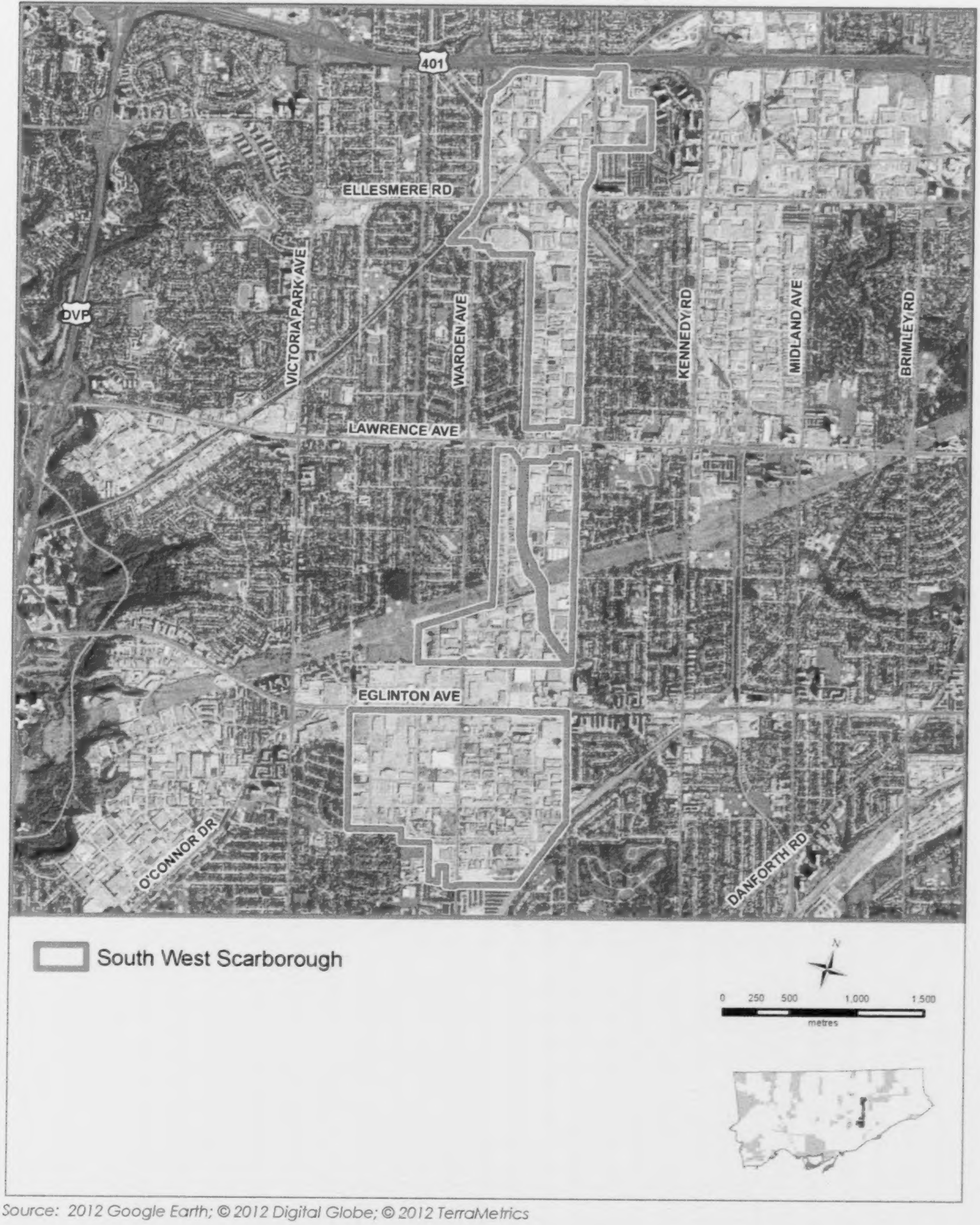
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.16.7: Establishment Growth in the SW Scarborough Employment District by Major Sector, 2006 to 2011



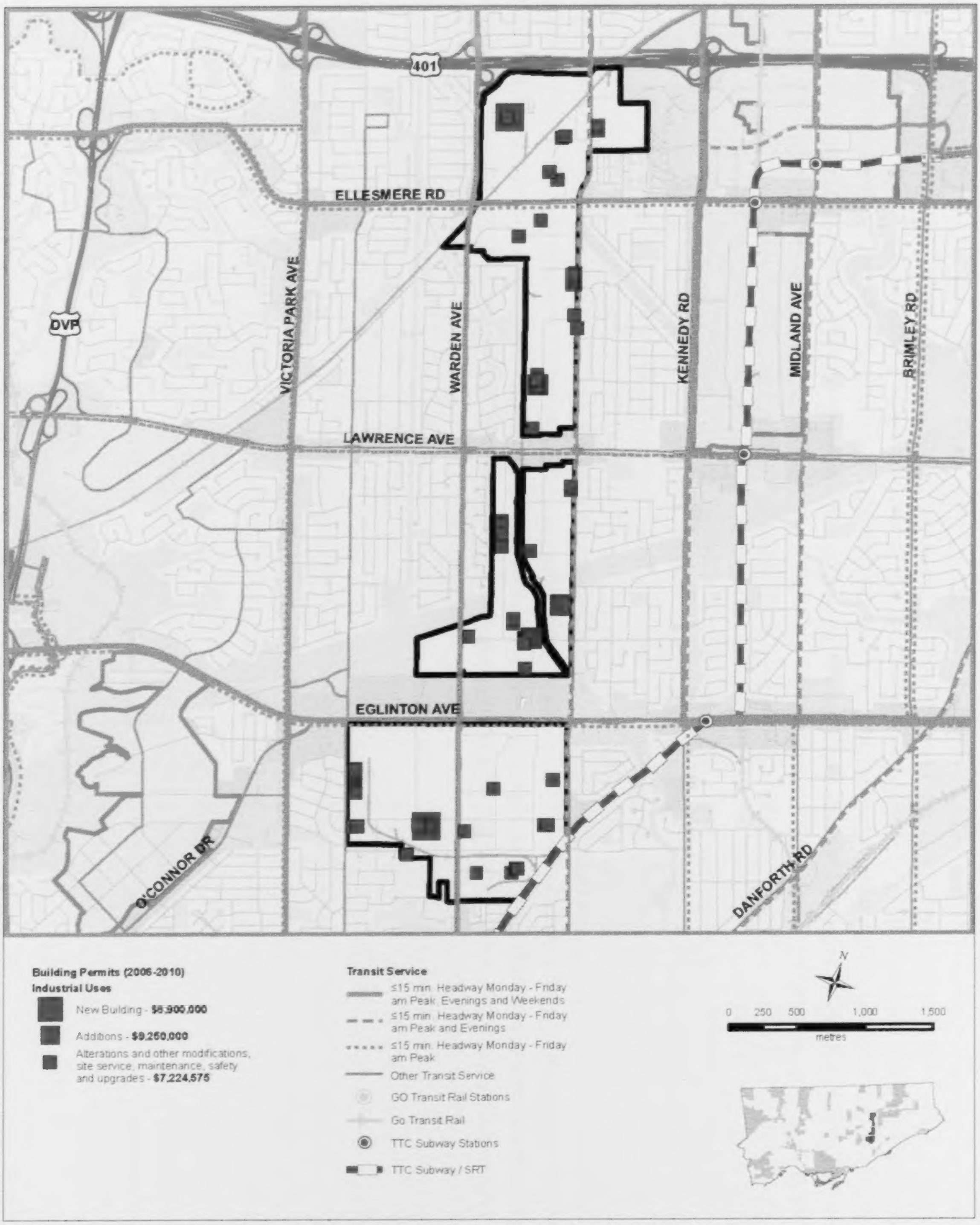
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.16.8: Extent and Character of the South West Scarborough Employment District


401
ELLESMERE RD
DVP
VICTORIA PARK AVE
WARDEN AVE
KENNEDY RD
MIDLAND AVE
BRIMLEY RD
LAWRENCE AVE
EGLINTON AVE
O'CONNOR DR
DANFORTH RD
South West Scarborough
N
0 250 500 1,000 1,500
metres

Source: 2012 Google Earth; © 2012 Digital Globe; © 2012 TerraMetrics

Figure D16.9: Industrial Re-investment and Transit Services in the South West Scarborough Employment District, 2006-2010


401
DVP
ELLESMERE RD
VICTORIA PARK AVE
WARDEN AVE
KENNEDY RD
MIDLAND AVE
BRIMLEY RD
LAWRENCE AVE
EGLINTON AVE
O'CONNOR DR
DANFORTH RD
Building Permits (2006-2010)
Industrial Uses
New Building - $6,900,000
Additions - $9,250,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $7,224,575
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway / SRT
N
0 250 500 1,000 1,500
metres

Source: City of Toronto. Toronto Employment Survey, 2011

Figure D.16.10: Ceiling Height for Industrial Space in the South West Scarborough Employment District, 2011

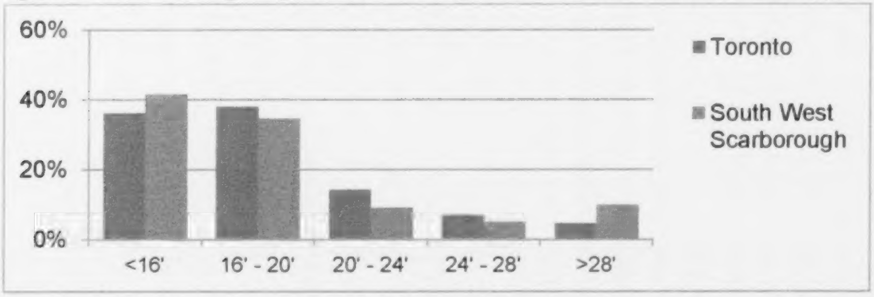


Figure D.16.11: Built Year for Industrial Space in the South West Scarborough Employment District, 2011

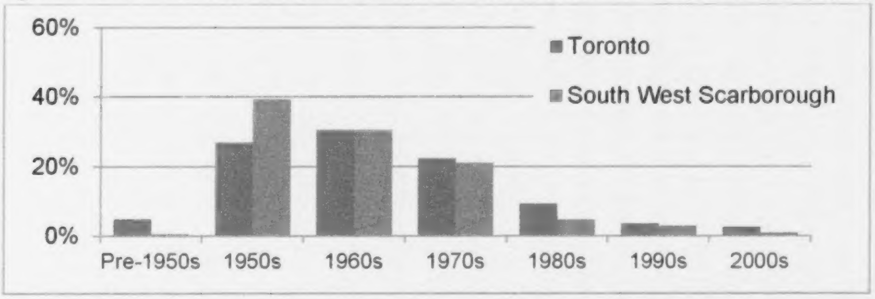
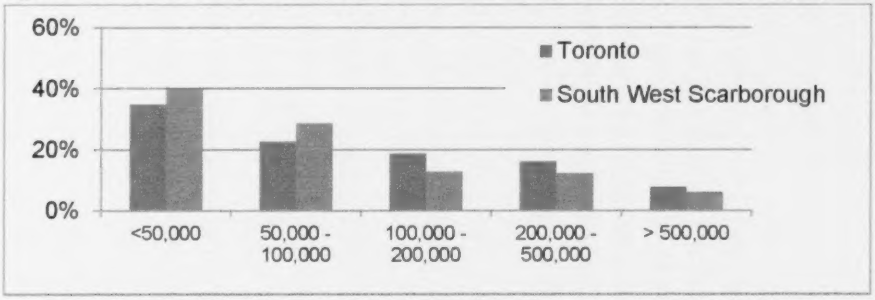
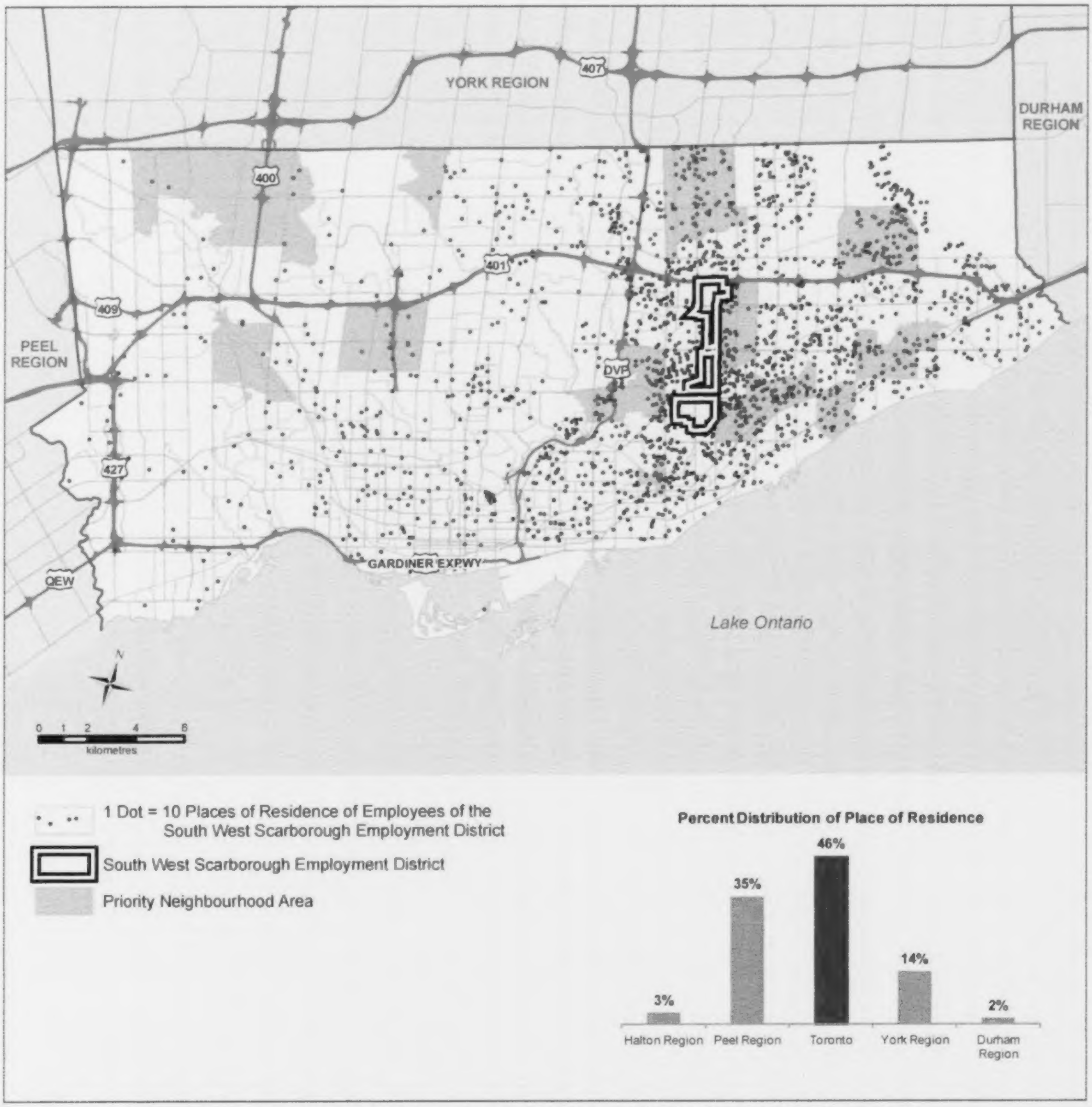


Figure D.16.12: Building Size for Industrial in the South West Scarborough Employment District, 2011



Source: C&W, 2011 Q4

Figure B.16.13: Distribution of Place of Residence for Employment in the South West Scarborough Employment District, 2006


YORK REGION
DURHAM REGION
PEEL REGION
407
400
401
409
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the South West Scarborough Employment District
South West Scarborough Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
3%
35%
46%
14%
2%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada. (Usual Place of Work) Employment by Place of Work / Places of Residence, 2006.

D.17 South East Scarborough Employment District

The South East Scarborough Employment District is located in the southeast area of Toronto, adjacent to Lake Ontario. It is bound by Lake Ontario to the east and south, Manse Rd. to the west, and greenspace north of Coronation Dr. This district was the city's smallest district in terms of employment with 916 jobs recorded in 2011. The area supports predominantly Manufacturing (particularly of chemicals) and Warehousing jobs, followed by the Office sector.

Key Facts:

- ***The South East Scarborough District employed 916 people in 2011, a 22.3% decline from 2006 and a 31.1% decline from 2001;***
- ***It supported less than 1% of the City's employment in 2011, and 0.1% of its non-residential assessment;***
- ***The District had $14.6 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2006 – 2011) occurred in its Service (6%) sector only, with a 50% decline in its retail employment, 49% decline in office, 40% decline in institutions and 27% decline in manufacturing;***
- ***New establishment growth was concentrated in the service sectors, and declined alongside employment growth in all other sectors;***
- ***With a net occupied land base of 90.2 ha, there is 1.1 million sq. ft. of industrial building space with an average vacancy rate of 5.0% in 2011;***
- ***Most built industrial space dates to the 1960's, concentrated in buildings with clear ceiling heights from 16 to 20 feet;***
- ***The District is accessed from Lawrence Road (the closest arterial) via Manse Rd. and Beechgrove Dr. Bus transit service is available on Coronation Dr.;***
- ***Of persons living in the GTAH, residents of Toronto hold 50% of the jobs located in the District.***

Figure D.17.1: Profile Data for the South East Scarborough Employment District, 2001, 2006 and 2011

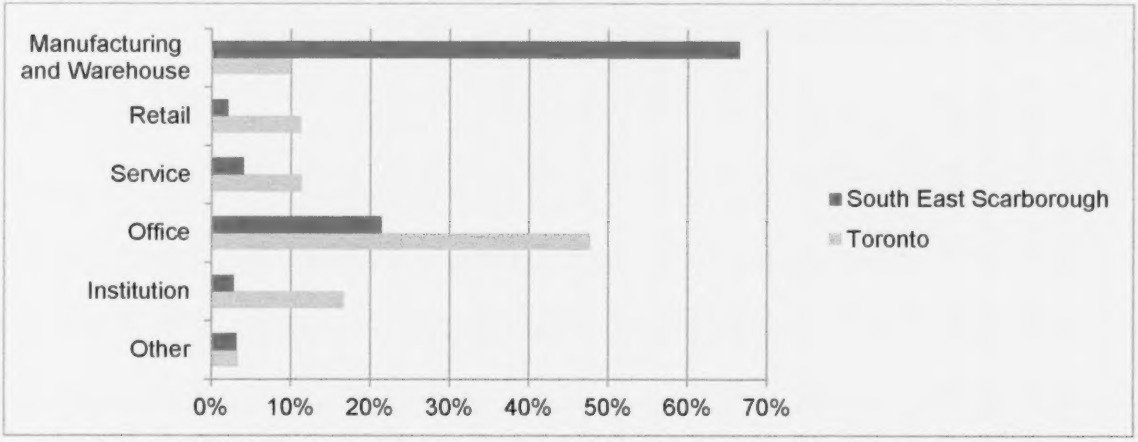
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	99.2	-	0.9%
Vacant Area (Ha)	-	-	9.0	-	1.0%
Vacant Area (% of Net)	-	-	9.1%	-	-
Employment (Total PT & FT)	1,330	1,179	916	-31.1%	0.1%
No. of Establishments	71	76	56	-21.1%	0.1%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	73%, 11%, 7%, 4%, 4%	75%, 8%,5%, 9%, 3%	64%, 16%, 11%, 9%, 0%	-	-
Industrial Inventory (sq.ft)	-	-	1,096,492	-	0.4%
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.23	-	-
Total Non Res. Assessment ($)	$26,680,485	-	$93,478,308	1.0x	0.1%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

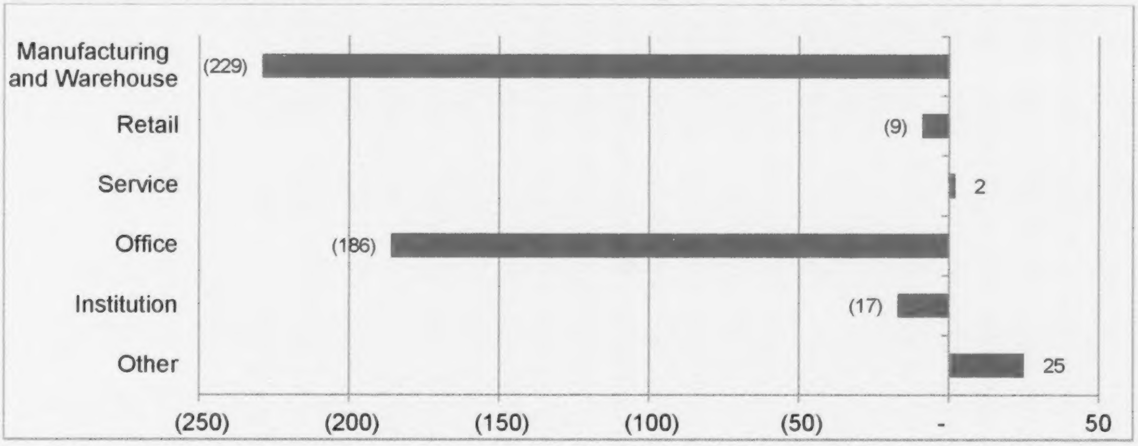
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.17.2: Employment Structure (% Distribution)in the South East Scarborough District by Major Sector, 2011



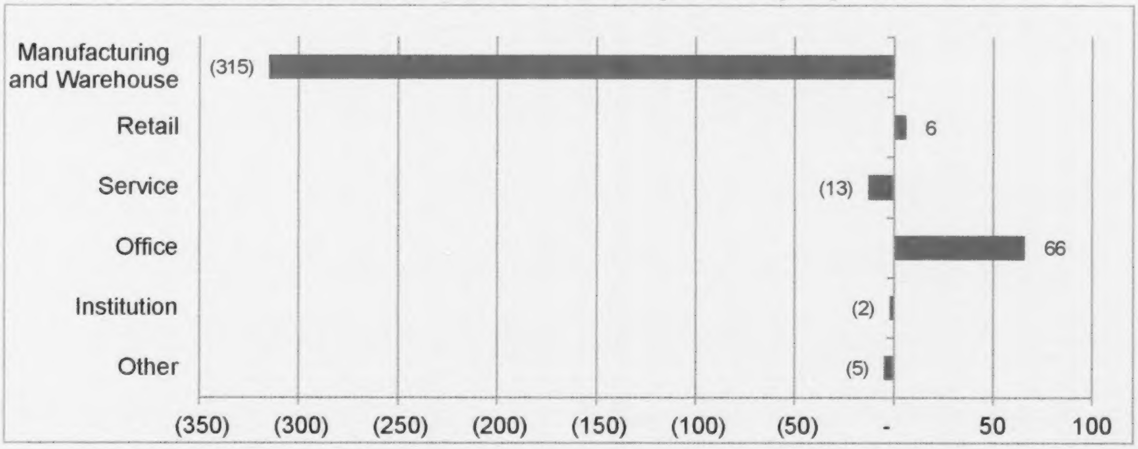
Source: City of Toronto Employment Survey, 2011

Figure D.17.3: Employment Growth in the South East Scarborough District by Major Sector, 2001 to 2011



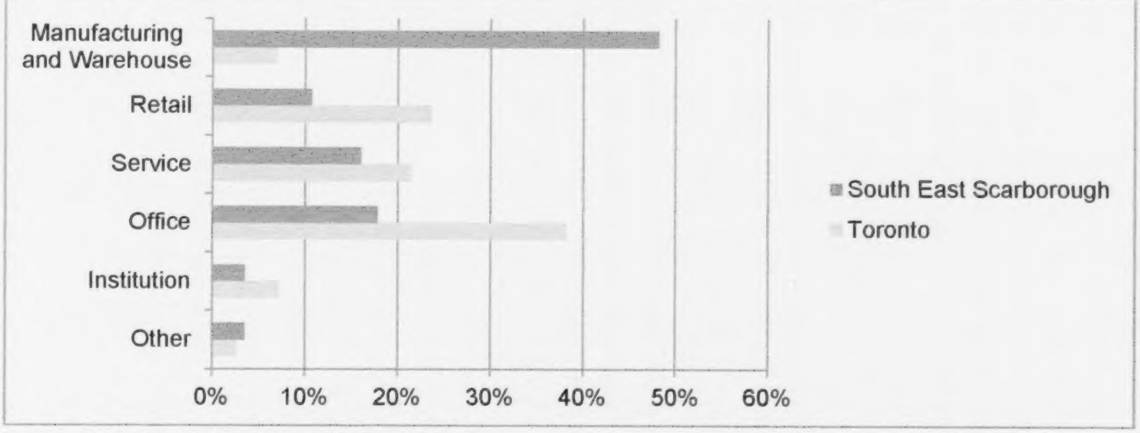
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.17.4: Employment Growth in the South East Scarborough District by Major Sector, 2006 to 2011



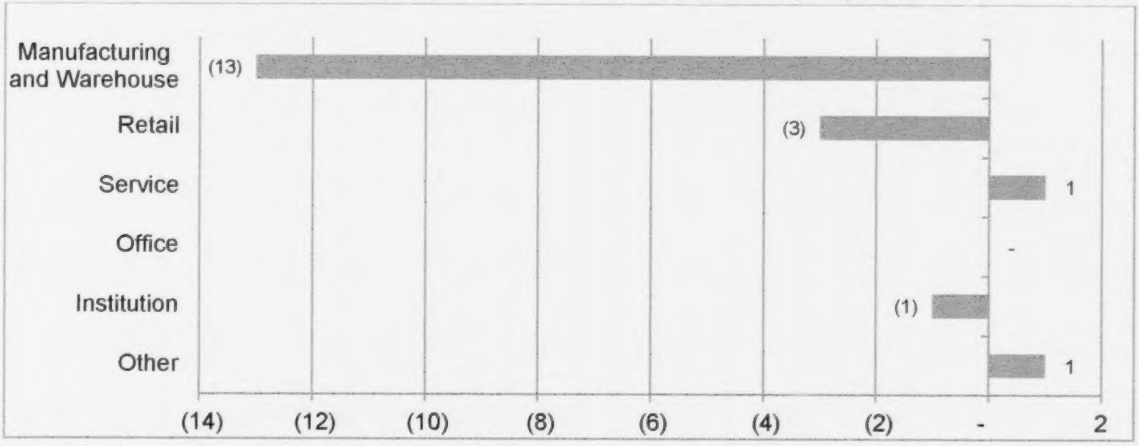
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.17.5: Establishment Structure (%Distribution) in the South East Scarborough District by Major Sector, 2011



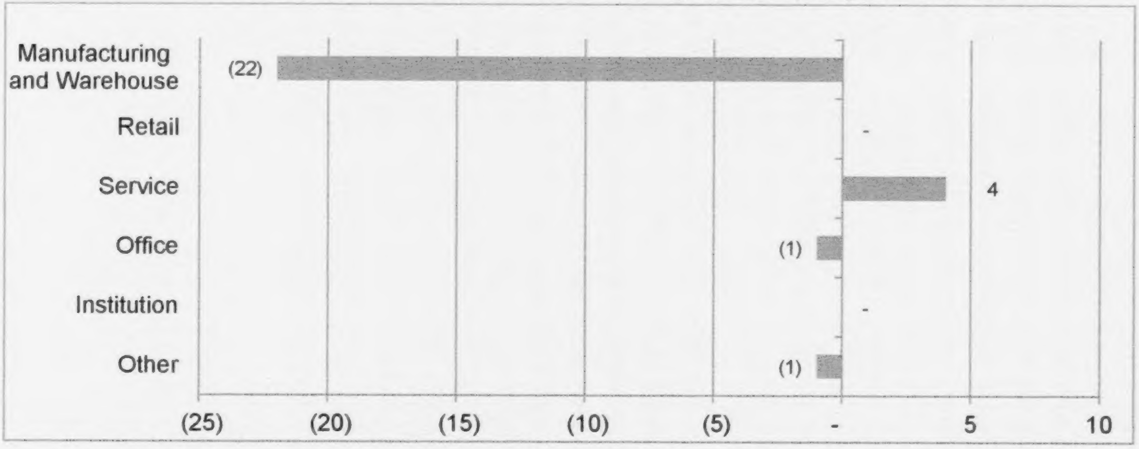
Source: City of Toronto Employment Survey, 2011

Figure D.17.6: Establishment Growth in the South East Scarborough District by Major Sector, 2001 to 2011



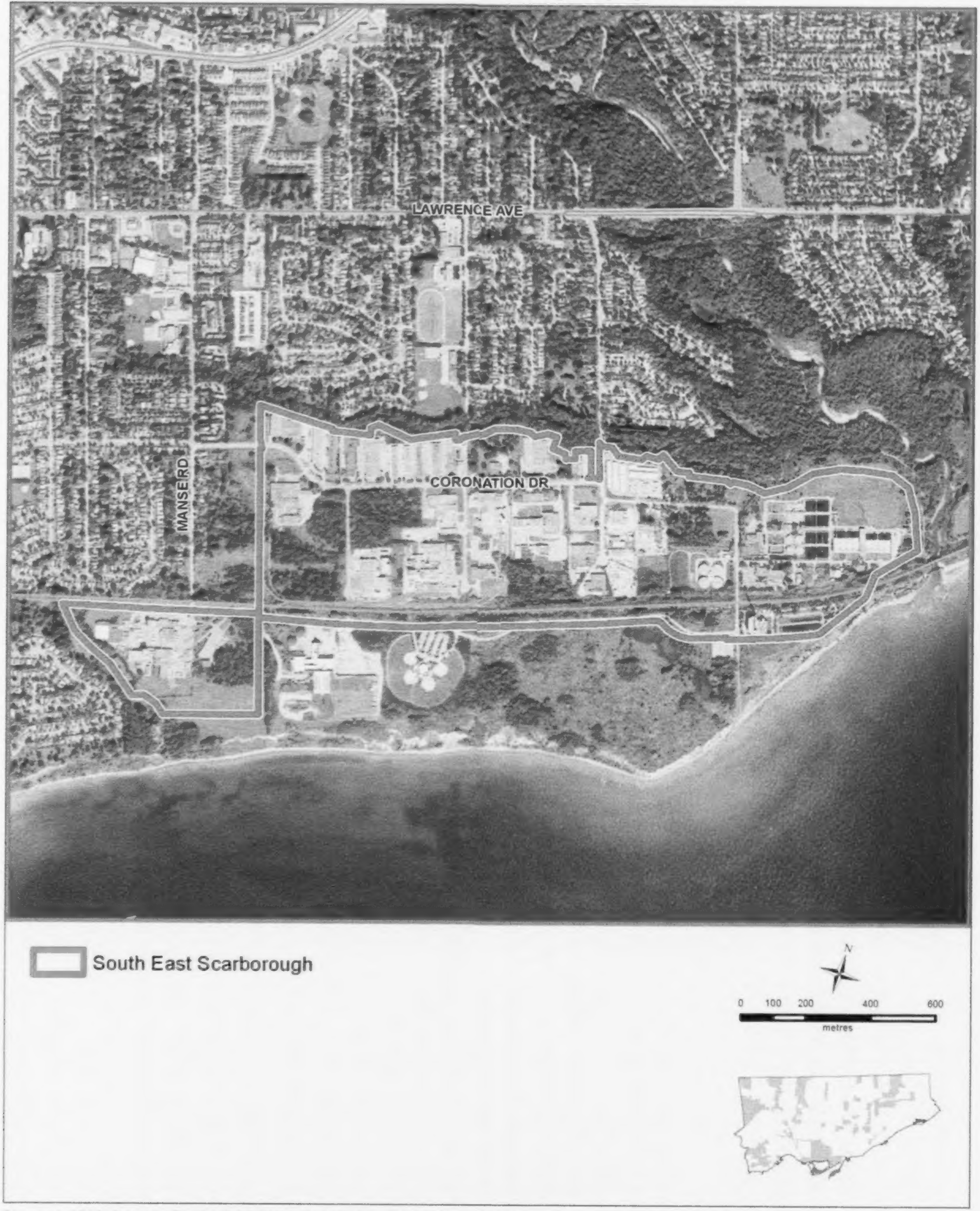
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.17.7: Establishment Growth in the South East Scarborough District by Major Sector, 2006 to 2011



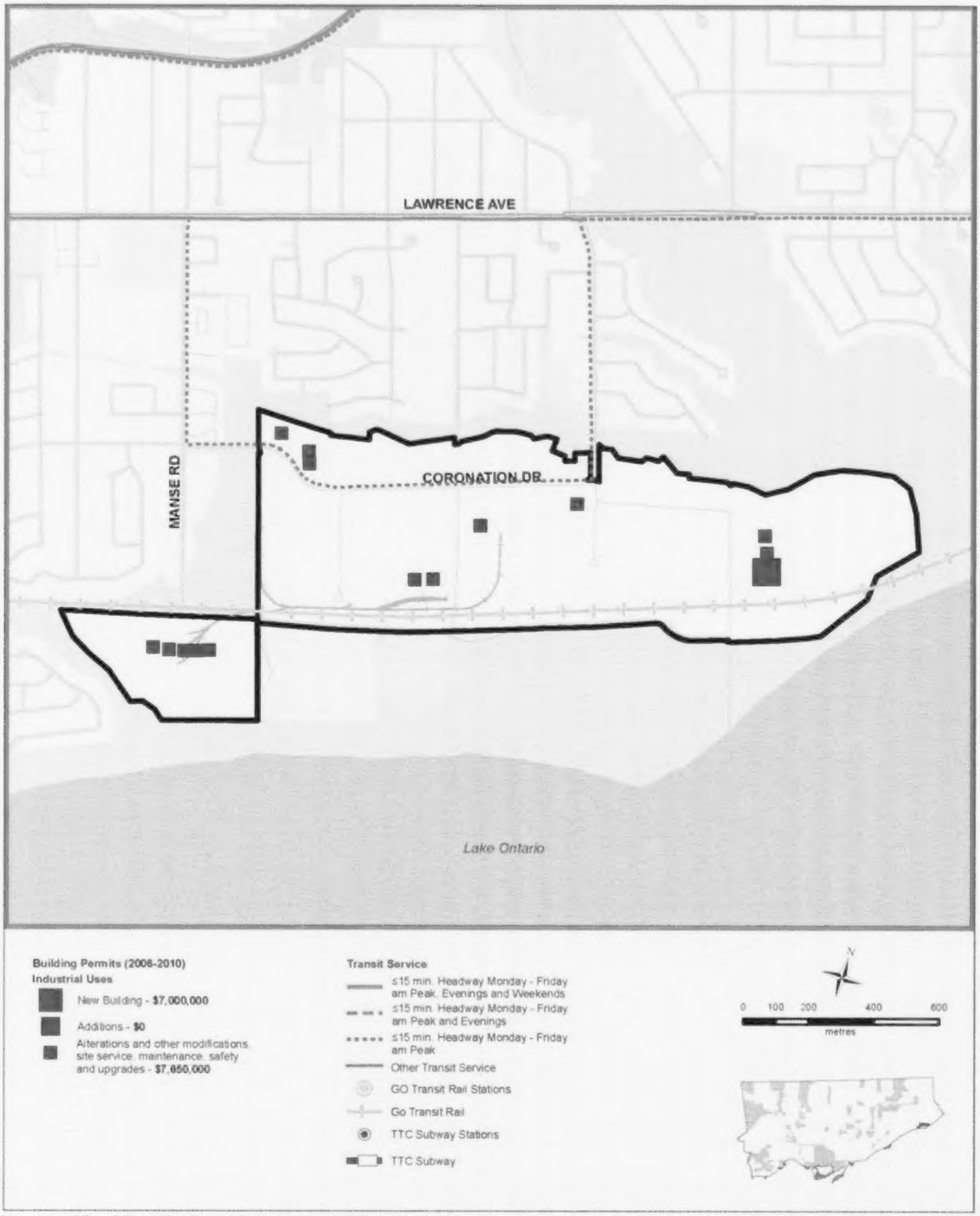
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.17.8: Extent and Character of the South East Scarborough Employment District


LAWRENCE AVE
MANSE RD
CORONATION DR
South East Scarborough
N
0 100 200 400 600
metres

Source: 2012 Google Earth; © 2012 Digital Globe; © 2012 TerraMetrics

Figure D.17.9: Industrial Re-investment and Transit Services in the South East Scarborough Employment District, 2006-2010


LAWRENCE AVE
MANSE RD
CORONATION DR
Lake Ontario
Building Permits (2006-2010)
Industrial Uses
New Building - $7,000,000
Additions - $0
Alterations and other modifications site service, maintenance, safety and upgrades - $7,650,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0
100
200
400
600
metres

Source: City of Toronto. Toronto Employment Survey, 2011

Figure D.17.10: Ceiling Height for Industrial Space in the South East Scarborough Employment District, 2011

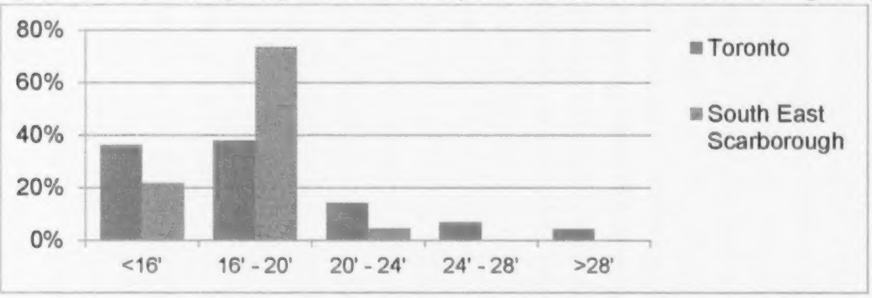


Figure B.17.11: Built Year for Industrial Space in the South East Scarborough Employment District, 2011

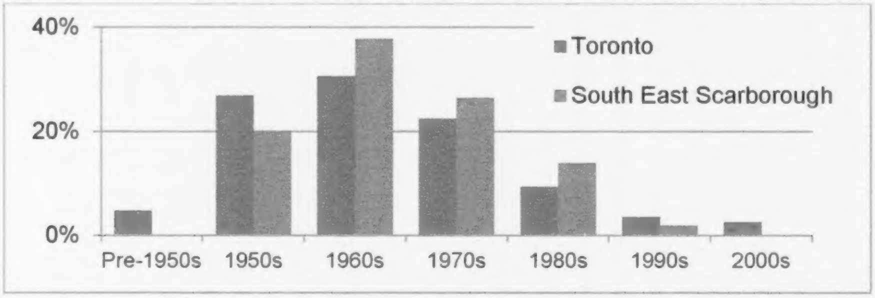
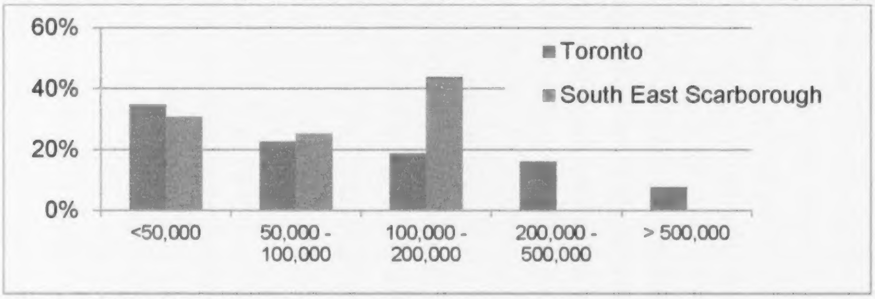
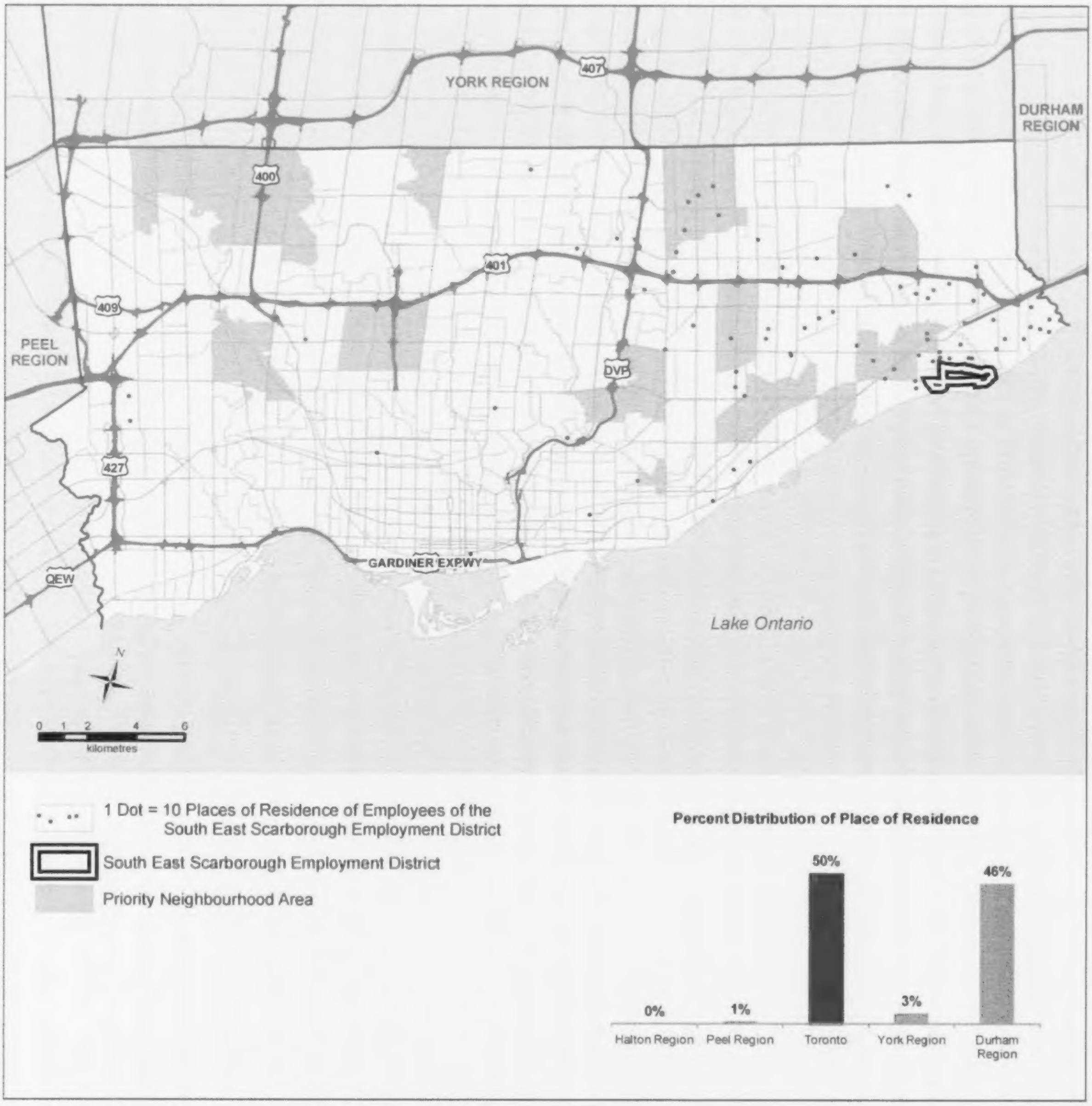


Figure D.17.12: Building Size for Industrial Space in the South East Scarborough Employment District, 2011



Source: C&W, 2011 Q4

Figure D.17.13: Distribution of Place of Residence for Employment in the South East Scarborough Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the South East Scarborough Employment District
South East Scarborough Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
0%
1%
50%
3%
46%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

D.18 Airport Corporate Centre Employment District

The Airport Corporate Centre (ACC) Employment District is located in the west of Toronto, adjacent to Pearson International Airport on the east side of Eglinton Ave. It is the city's smallest district geographically and second smallest in terms of employment. It is functionally part of the larger ACC in Mississauga and located to the immediate north. In 2011, the district employed 1,141 people, mainly within the Manufacturing and Warehousing and Office sectors.

Key Facts:

- ***The Airport Corporate Centre District employed 1,141 people in 2011, a 39% increase from 2006 and a 163.5% increase from 2001;***
- ***It supported less than 1% of the City's employment in 2011, and 0.09% of its non-residential assessment;***
- ***The District had $1 million in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred across all sectors, particularly Institutions and Office;***
- ***New establishment growth also occurred across all sectors;***
- ***With a net occupied land base of 15.1 ha, there is 0.3 million sq. ft. of industrial building space with an average vacancy rate of 8.2% in 2011;***
- ***The District is accessed from Eglinton Avenue, which also supports bus transit;***
- ***Of persons living in the GTAH, residents of Toronto hold 42% of the jobs located in the District.***

Figure D.18.1: Profile Data for the Airport Corporate Centre Employment District, 2001, 2006 and 2011

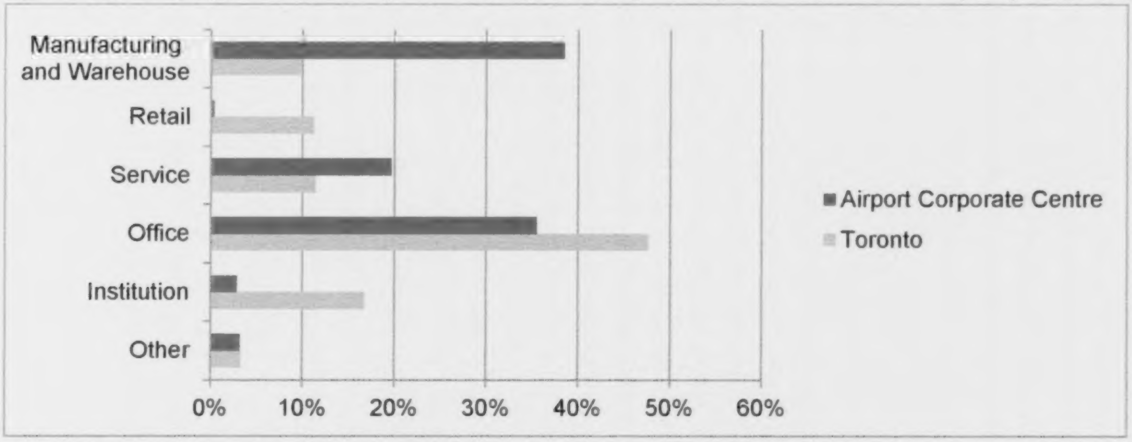
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	24.3	-	0.2%
Vacant Area (Ha)	-	-	9.2	-	1.0%
Vacant Area (% of Net)	-	-	37.9%	-	-
Employment (Total PT & FT)	433	821	1,141	163.5%	0.1%
No. of Establishments	17	33	47	176.5%	0.1%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	59%, 12%, 18%, 6%, 6%	48%, 27%, 15%, 3%, 6%	49%, 21%, 23%, 0%, 6%	-	-
Industrial Inventory (sq.ft)	-	-	304,197	-	-
Industrial Vacancy Rate	-	-	8.2%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.34	-	-
Total Non Res. Assessment ($)	$12,598,000	-	$69,126,273	1.8x	0.1%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

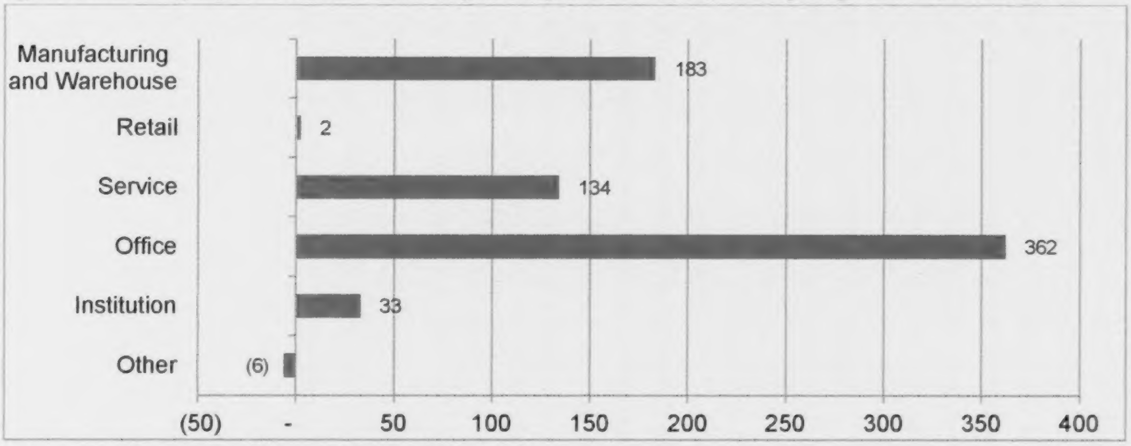
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure D.18.2: Employment Structure (% Distribution) in the Airport Corporate Centre District by Major Sector, 2011



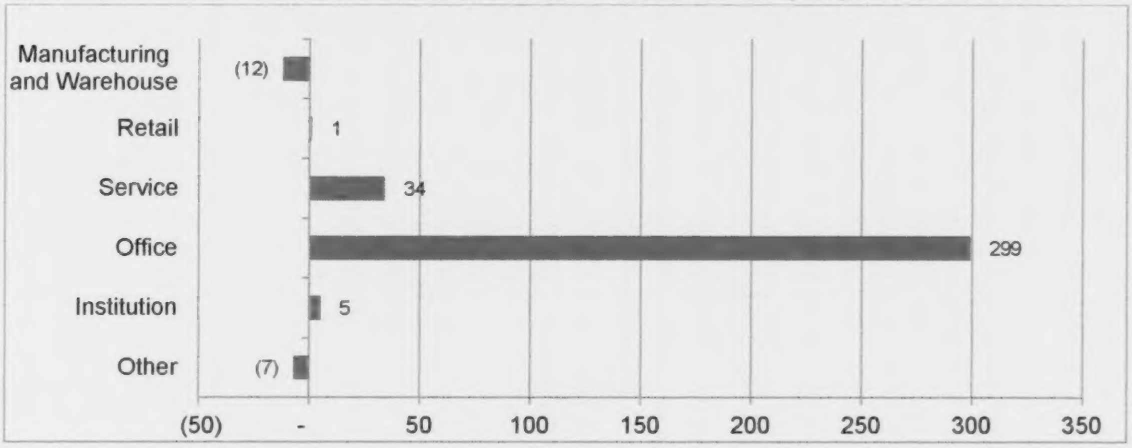
Source: City of Toronto Employment Survey, 2011

Figure D.18.3: Employment Growth in the Airport Corporate Centre District by Major Sector, 2001 to 2011



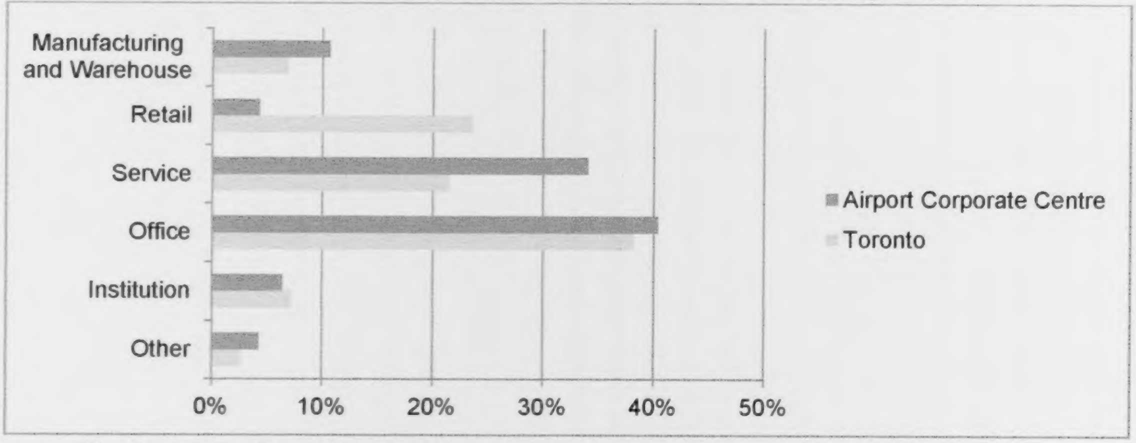
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.18.4: Employment Growth in the Airport Corporate Centre District by Major Sector, 2006 to 2011



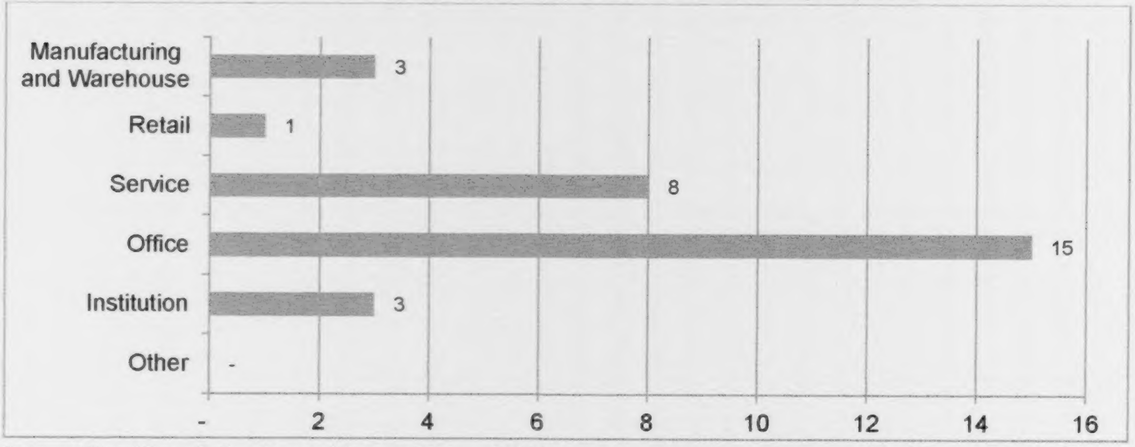
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.18.5: Establishment Structure in the Airport Corporate Centre District by Major Sector, 2011



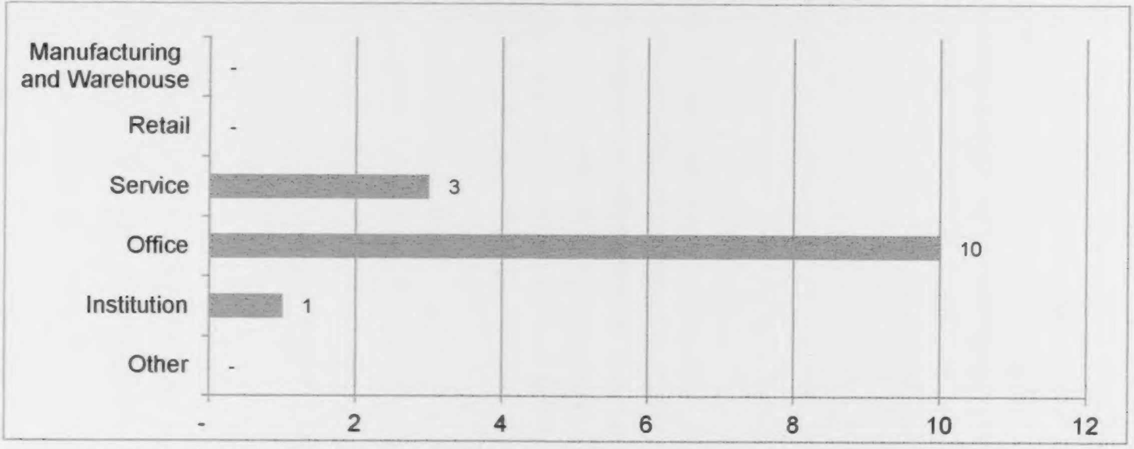
Source: City of Toronto Employment Survey, 2011

Figure D.18.6: Establishment Growth in the Airport Corporate Centre District by Major Sector, 2001 to 2011



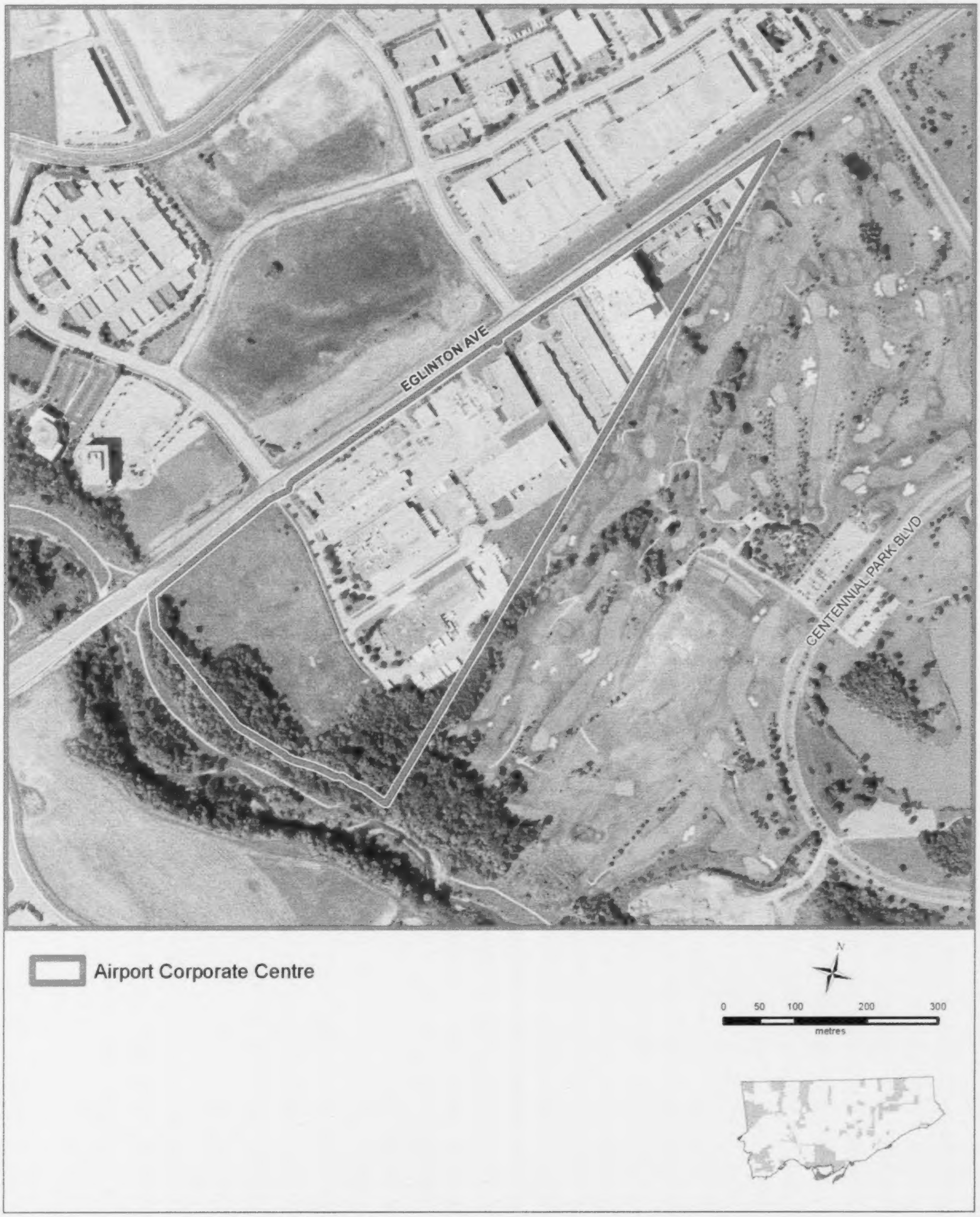
Source: City of Toronto Employment Survey, 2001 and 2011

Figure D.18.7: Establishment Growth in the Airport Corporate Centre District by Major Sector, 2006 to 2011



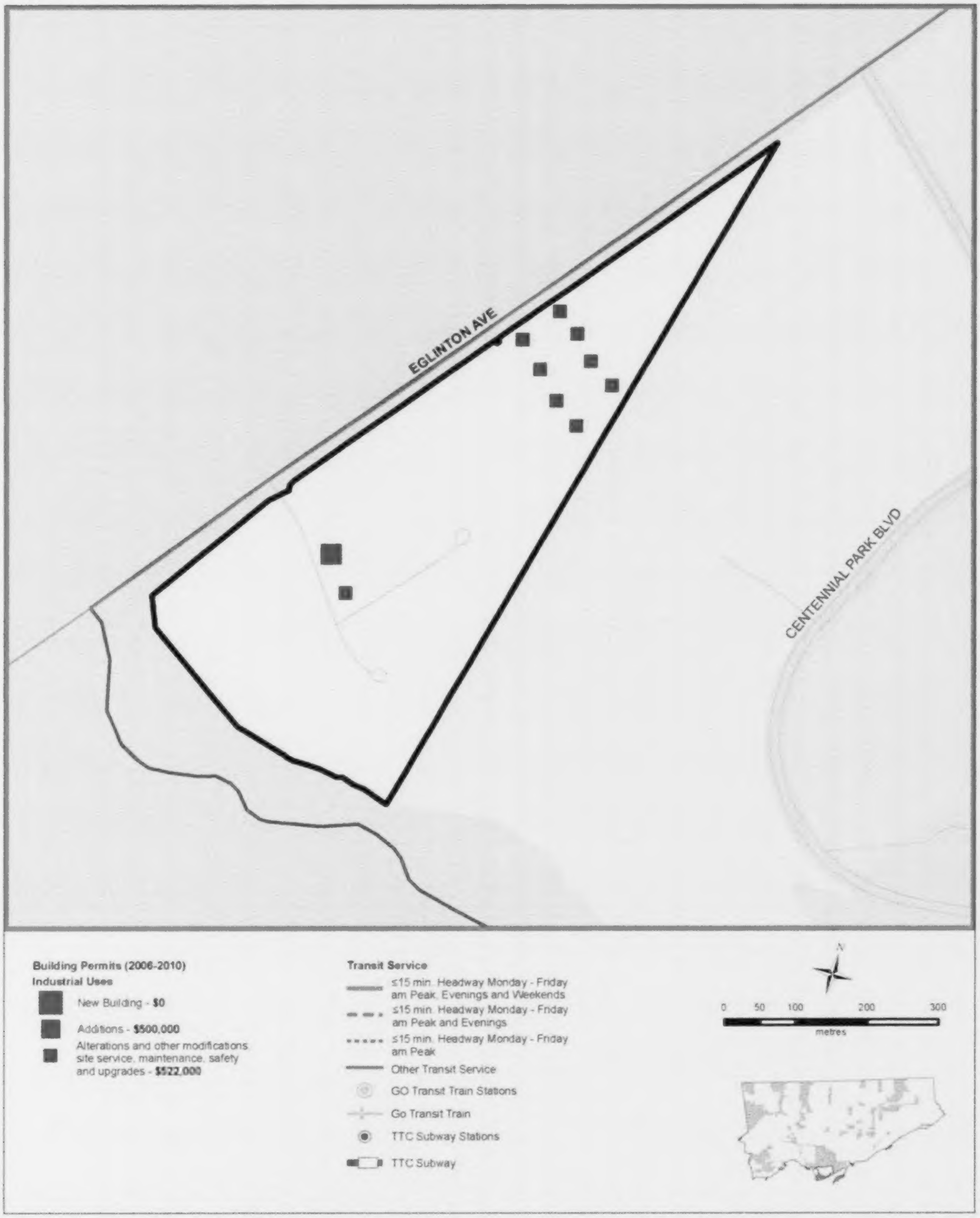
Source: City of Toronto Employment Survey, 2006 and 2011

Figure D.18.8: Extent and Character of the Airport Corporate Centre Employment District


EGLINTON AVE
CENTENNIAL PARK BLVD
Airport Corporate Centre
N
0
50
100
200
300
metres

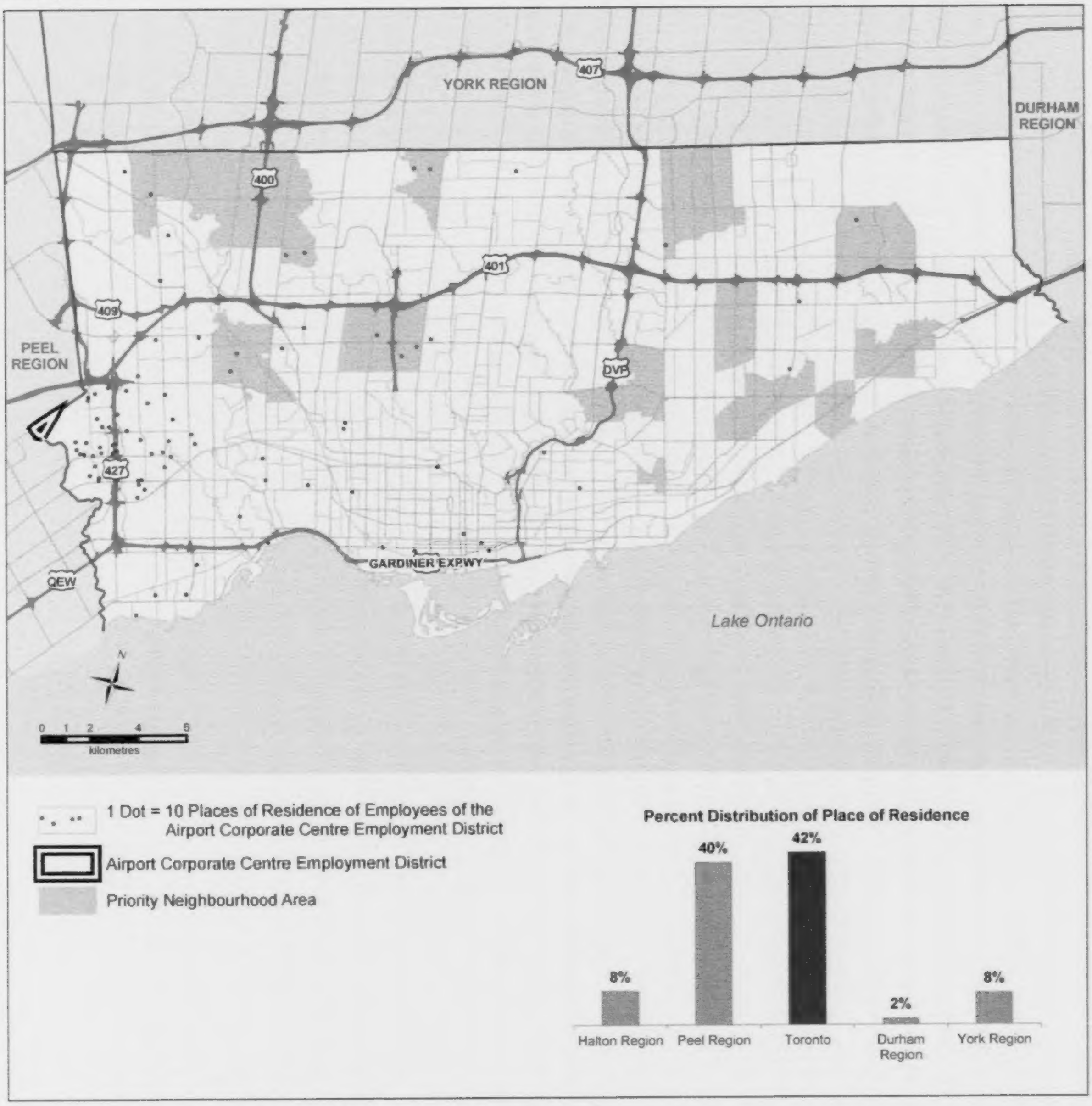
Source: 2012 Google Earth; © 2012 Digital Globe

Figure D.18.9: Industrial Re-investment and Transit Services in the Airport Corporate Centre Employment District, 2006-2010


EGLINTON AVE
CENTENNIAL PARK BLVD
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $500,000
Alterations and other modifications site service, maintenance, safety and upgrades - $522,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Train Stations
Go Transit Train
TTC Subway Stations
TTC Subway
N
0
50
100
200
300
metres

Source: City of Toronto. Toronto Employment Survey, 2011

Figure D.18.10: Distribution of Place of Residence for Employment in the Airport Corporate Centre Employment District, 2006


YORK REGION
407
400
DURHAM REGION
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Airport Corporate Centre Employment District
Airport Corporate Centre Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
8%
40%
42%
2%
8%
Halton Region
Peel Region
Toronto
Durham Region
York Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

This Page Is Left Intentionally Blank

APPENDIX 3 E

Employment Districts – "Business Park"

Summary Profile Data for Employment Districts – Business Park, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	472.3	-	4.2%
Vacant Area (Ha)	-	-	18.7	-	1.9%
Vacant Area (% of Net)	-	-	4.0%	-	-
Employment (Total PT & FT)	62,764	64,636	59,631	-5.0%	4.5%
No. of Establishments	1,800	1,963	1,990	10.6%	2.7%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	65%, 16%, 8%, 5%, 7%	66%, 16%, 7%, 5%, 6%	66%, 17%, 7%, 4%, 6%	-	-
Industrial Inventory (sq.ft.)	-	-	8,859,801	-	3.3%
Office Space (Net Rentable Area, sq.ft.)	9,001,474	9,001,474	9,111,516	1.2%	6.8%
Unoccupied Office Space	3.7%	10%	11.4%	-	-
Office Rental Rate (Gross $/sq.ft.)	-	-	$27.25	-	-
Total Non Res. Assessment ($)	$858,098,737	-	$2,174,996,394	0.6x	2.7%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

This Page Is Left Intentionally Blank

E.1 Consumers Road Employment District

The Consumers Road Employment District is the largest Employment District- Business Park with regard to employment, but the smallest area geographically. It is located just north of Hwy. 401 along the DVP and is bounded by Sheppard Ave. to the north, Victoria Park Ave. to the east, Hwy. 401 to the south, and the DVP to the west. In 2011, the district employed 18,142 people predominantly in the Office sector. In total, the Consumers Road Employment District has 625 firms.

Key Facts:

- ***The Consumers Road Employment District employed 18,142 people in 2011, a 15.8% increase from 2006 and a 12.3% increase from 2001;***
- ***It supported 1.4% of the City's employment in 2011, and 0.8% of its non-residential assessment;***
- ***The District had $1,447,000 in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in its Institutional (121%), Retail (79%), and Office (19%) sectors, with a 92% decline in its Manufacturing employment, and 26% decline in its Service sector;***
- ***New establishment growth occurred across sectors, with the exception of Manufacturing;***
- ***With a net occupied land base of 70.3 ha, there is 834,627 sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;***
- ***Most built industrial space dates to the 1960's and 1970's, concentrated in buildings with clear ceiling heights between 16 to 20 feet;***
- ***The business park is accessed from Sheppard Avenue from Hwy 404 or Hwy 401. Its Sheppard Ave. frontage is currently slated for LRT service from the Don Mills subway station;***
- ***Of persons living in the GTAH, residents of Toronto hold 56% percent of the jobs located in the district.***

Figure E.1.1: Profile Data for the Consumers Road Employment District, 2001, 2006 and 2011

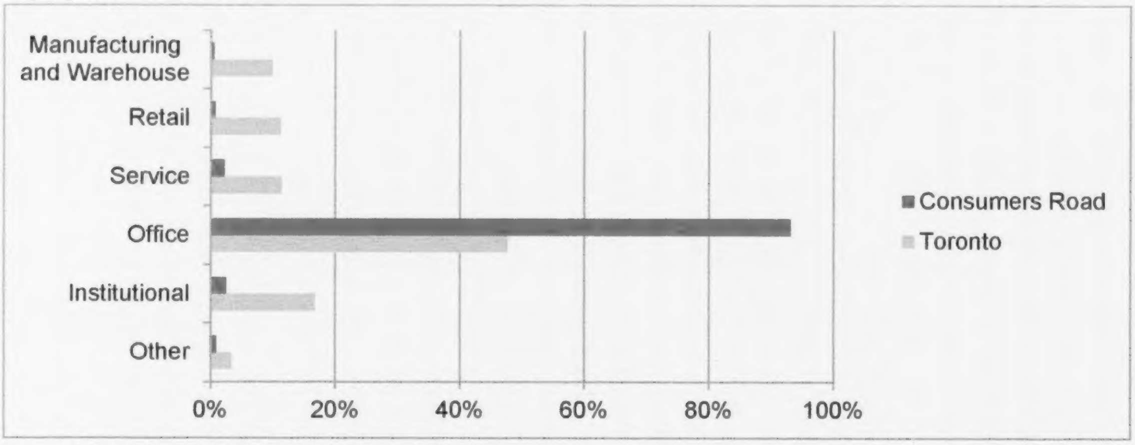
Variable	**2001**	**2006**	**2011**	**% Change 2001-2011**	**2011 % of City**
Area (Net Ha)	-	-	78.8	-	0.7%
Vacant Area (Ha)	-	-	8.5	-	0.9%
Vacant Area (% of Net)	-	-	10.8%	-	-
Employment (Total PT & FT)	16,152	15,660	18,142	12.3%	1.4%
No. of Establishments	505	605	621	23.8%	0.8%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	60%, 20%, 9%, 6%, 5%	66%, 18%, 7%, 6%, 3%	64%, 19%, 9%, 4%, 5%	-	-
Industrial Inventory (sq.ft)	-	-	834,627	-	0.3%
Industrial Vacancy Rate	-	-	3.5%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.24	-	-
Total Non Res. Assessment ($)	$259,416,300	-	$598,882,123	0.5x	0.8%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

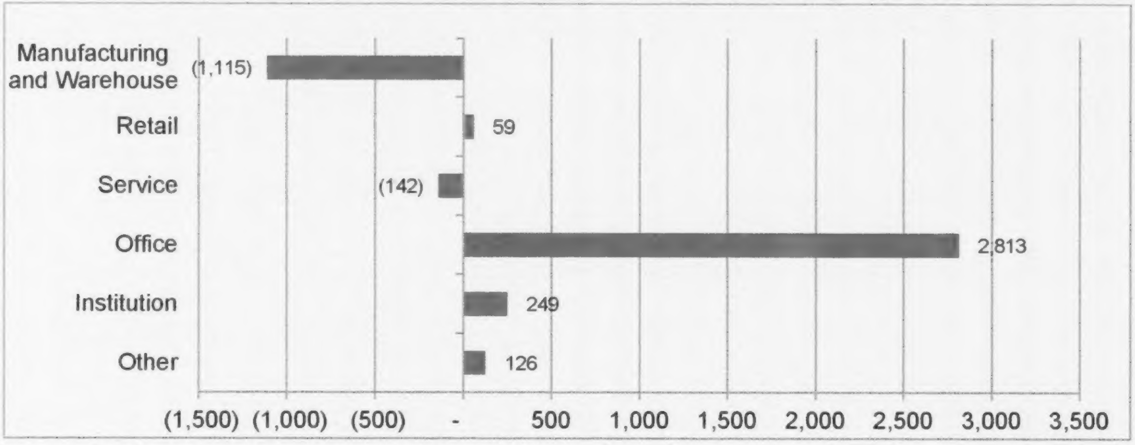
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure E.1.2: Employment Structure (% Distribution) in the Consumers Road Employment District by Major Employment Sector, 2011



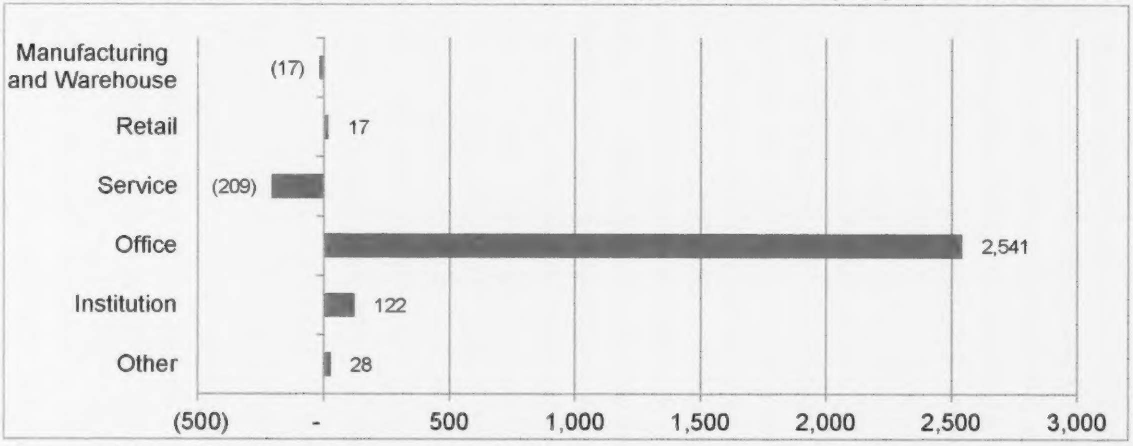
Source: City of Toronto Employment Survey, 2011

Figure E.1.3: Employment Growth in the Consumers Road Employment District by Major Sector, 2001 to 2011



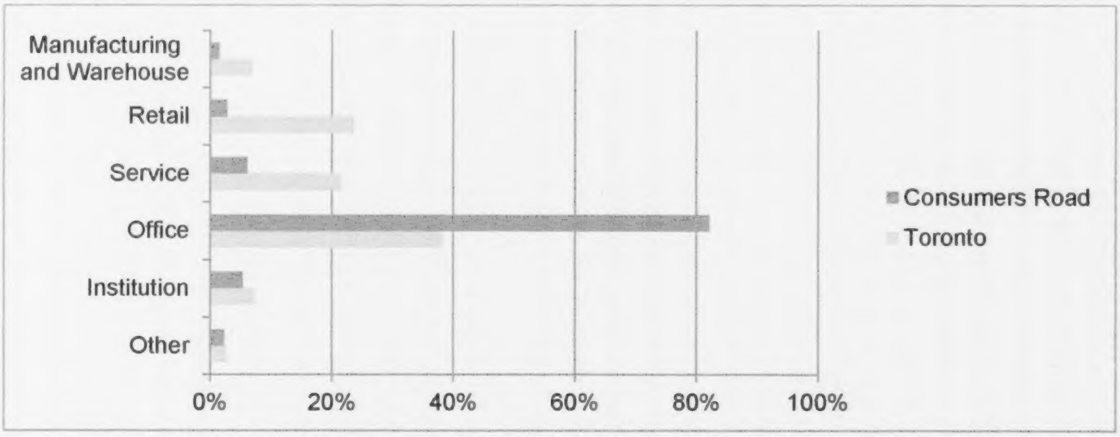
Source: City of Toronto Employment Survey, 2001 and 2011

Figure E.1.4: Employment Growth in the Consumers Road Employment District by Major Sector, 2006 to 2011



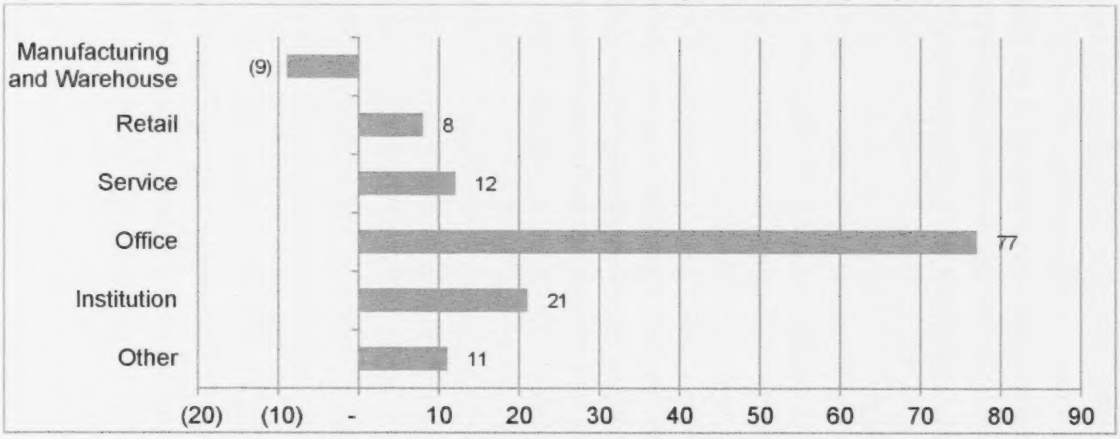
Source: City of Toronto Employment Survey, 2006 and 2011

Figure E.1.5: Establishment Structure (% Distribution) in the Consumers Road Employment District by Major Sector, 2011



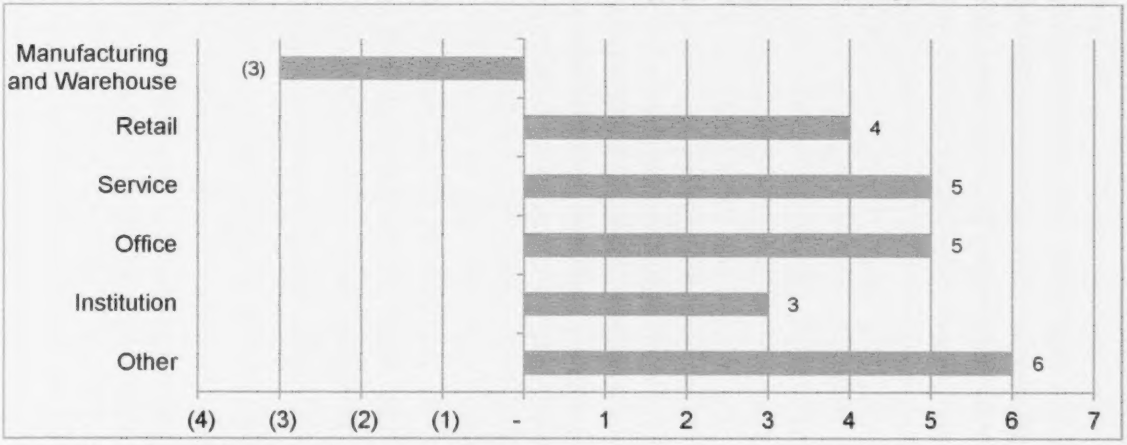
Source: City of Toronto Employment Survey, 2011

Figure E.1.6: Establishment Growth in the Consumers Road Employment District by Major Sector, 2001 to 2011



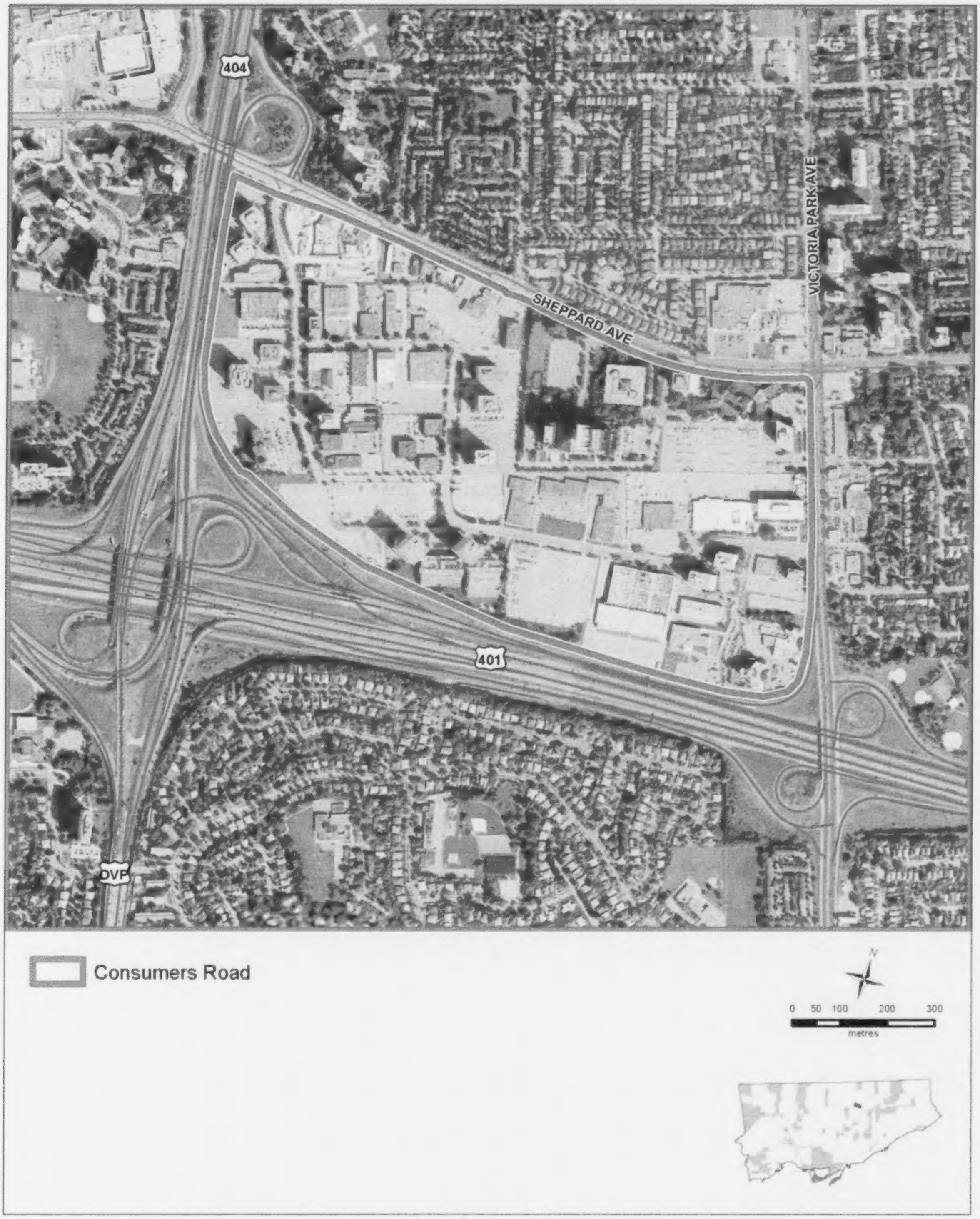
Source: City of Toronto Employment Survey, 2001 and 2011

Figure E.1.7: Establishment Growth in the Consumers Road Employment District by Major Sector, 2006 to 2011



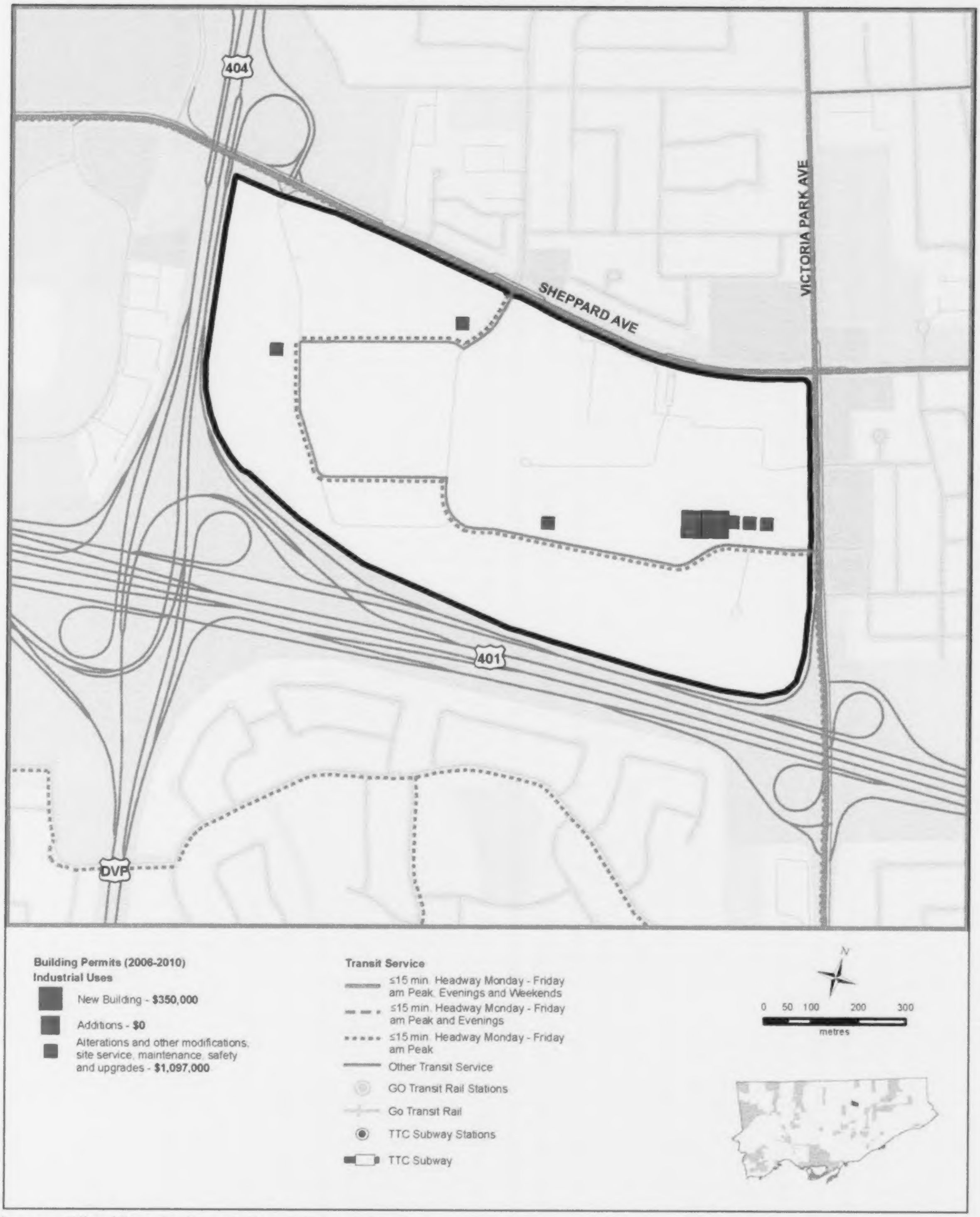
Source: City of Toronto Employment Survey, 2006 and 2011

Figure E.1.8: Extent and Character of the Consumers Road Employment District


404
SHEPPARD AVE
VICTORIA PARK AVE
401
DVP
Consumers Road
N
0 50 100 200 300
metres

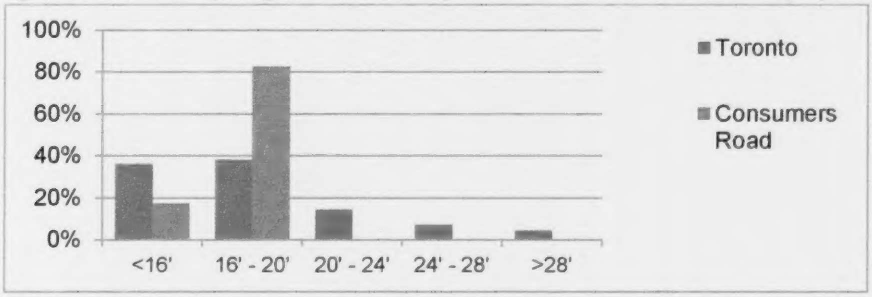
Source: 2012 Google Earth; © 2012 Digital Globe

Figure E.1.9: Industrial Re-investment and Transit Services in the Consumers Road Employment District


404
SHEPPARD AVE
VICTORIA PARK AVE
401
DVP
Building Permits (2006-2010)
Industrial Uses
New Building - $350,000
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $1,097,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 50 100 200 300
metres

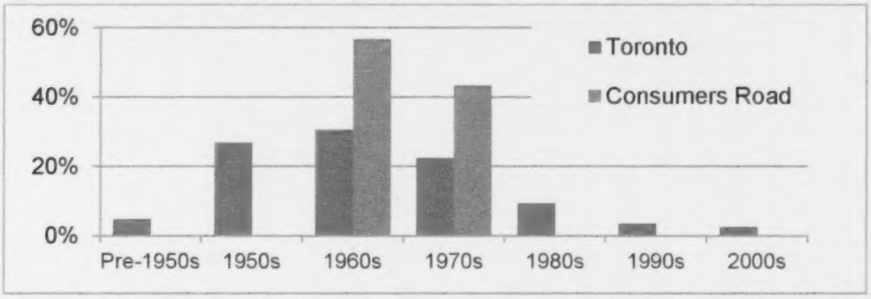
Source: *City of Toronto. Toronto Transit Commission.*

Figure E.1.10: Ceiling Height for Industrial Space in the Consumers Road Employment District, 2011



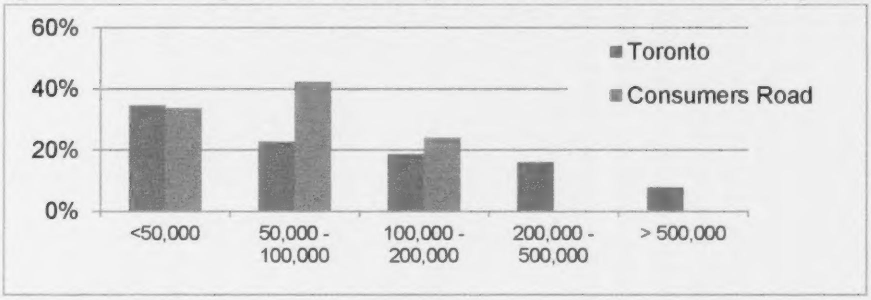
Source: C&W, 2011 Q4

Figure E.1.11: Built Year for Industrial Space in the Consumers Road Employment District, 2011



Source: C&W, 2011 Q4

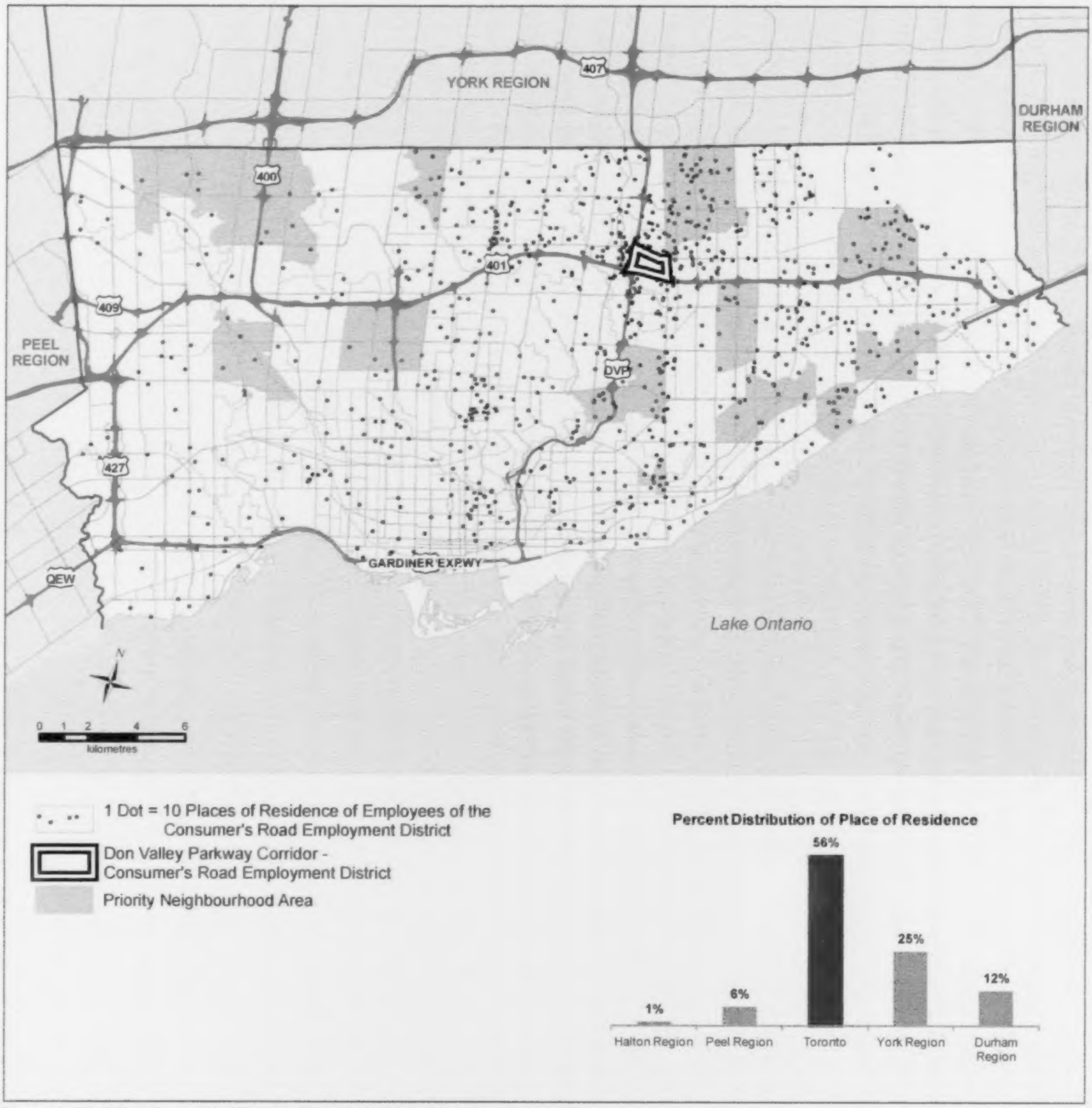
Figure E.1.12: Building Size for Industrial Space in the Consumers Road Employment District, 2011



Source: C&W, 2011 Q4

APPENDIX 3 E.1

Figure E.1.13: Distribution of Place of Residence for Employment in the Consumers Road Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Consumer's Road Employment District
Don Valley Parkway Corridor - Consumer's Road Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
6%
56%
25%
12%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census

E.2 The Don Mills Employment District

The Don Mills Employment District is the third largest Employment District- Business Park and is the most southern district of the six. The boundaries for Don Mills include Barber Greene Rd./Green belt Dr. to the north, the DVP to the east, Eglinton Ave. E to the south, and Leslie St. to the west. In 2011, the district employed 11,385 people predominantly in the Office sector. In total, The Don Mills Employment District has approximately 298 firms.

Key Facts:

- ***The Don Mills Employment District employed 11,385 people in 2011, a 24.1% decline from 2006 and a 25.2% decline from 2001;***
- ***It supported 0.9% of the City's employment in 2011, and 0.5% of its non-residential assessment;***
- ***The District had $4,294,100 in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in the Retail (138%) and Office (2%) sectors, with a 70% decline in its Manufacturing employment, and 28% decline in its Service sector;***
- ***New establishment growth occurred in the Institutional and Retail sectors, and there was a loss of Manufacturing establishments;***
- ***With a net occupied land base of 114 ha, there is 1.5 million sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;***
- ***Most built industrial space dates to the 1960's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The District is accessed from Don Mills Road or Eglinton Avenue from the Don Valley Parkway. Eglinton Ave. is currently slated for LRT service. Don Mills is identified as part of the "to be funded" round of future transit investment identified in "The Big Move";***
- ***Of persons living in the GTAH, residents of Toronto hold 67% of the jobs located in the District.***

Figure E.2.1: Profile Data for the Don Mills Employment District, 2001, 2006 and 2011

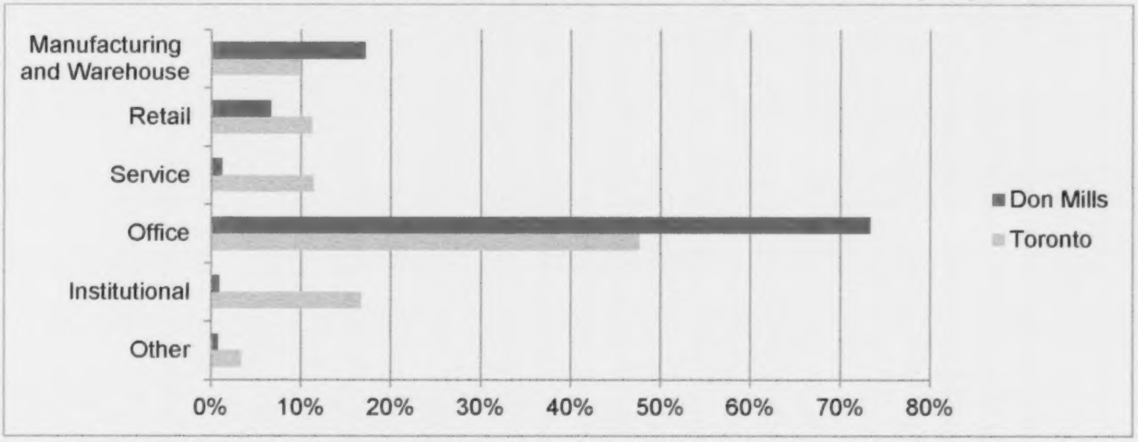
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	115.2	-	1.0%
Vacant Area (Ha)	-	-	1.2	-	0.1%
Vacant Area (% of Net)	-	-	1.2%	-	-
Employment (Total PT & FT)	15,212	14,997	11,385	-25.2%	0.9%
No. of Establishments	303	296	298	-1.7%	0.4%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	66%, 15%, 7%, 6%, 6%	66%, 16%, 6%, 4%, 7%	69%, 15%, 6%, 3%, 7%	-	-
Industrial Inventory (sq.ft)	-	-	1,534,585	-	0.6%
Industrial Vacancy Rate	-	-	3.5%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.24	-	-
Total Non Res. Assessment ($)	$171,533,863	-	$426,262,501	0.6x	0.5%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

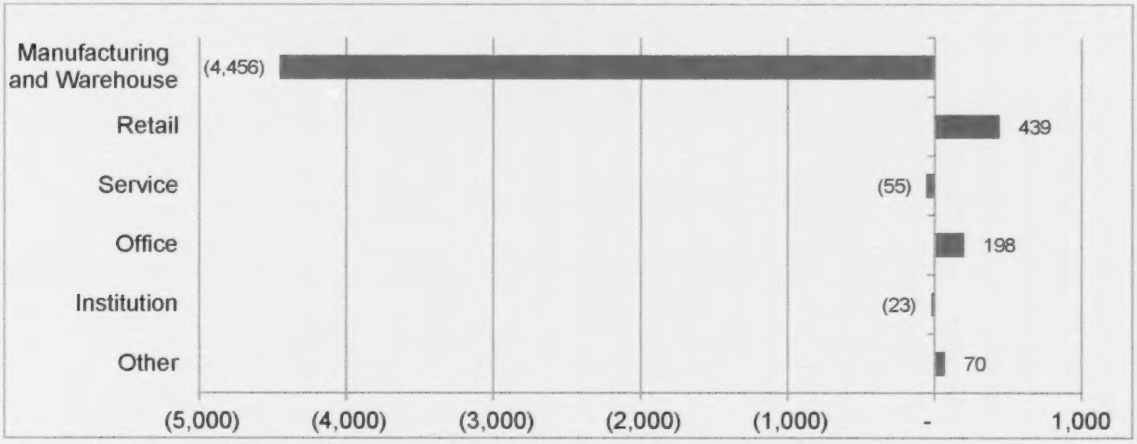
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure E.2.2: Employment Structure (% Distribution) in the Don Mills Employment District by Major Sector, 2011



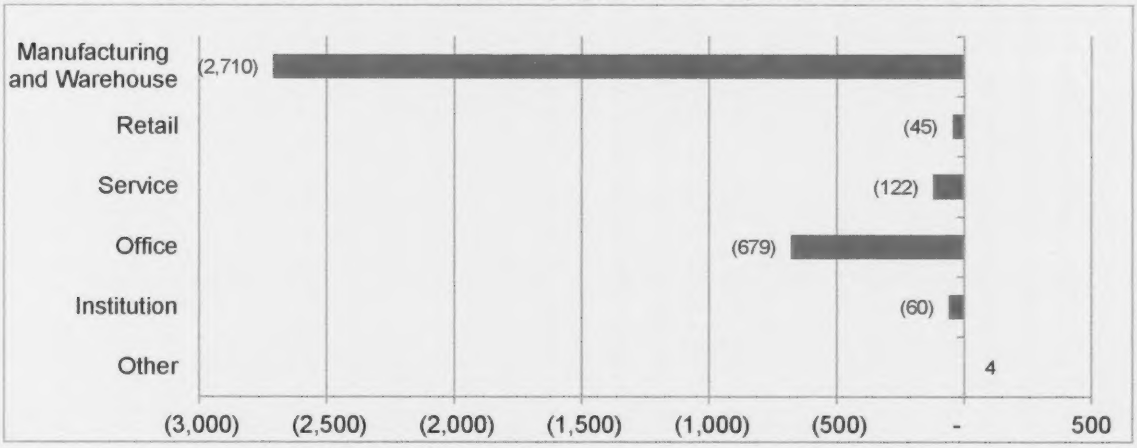
Source: City of Toronto Employment Survey, 2011

Figure E.2.3: Employment Growth in the Don Mills Employment District by Major Sector, 2001 to 2011



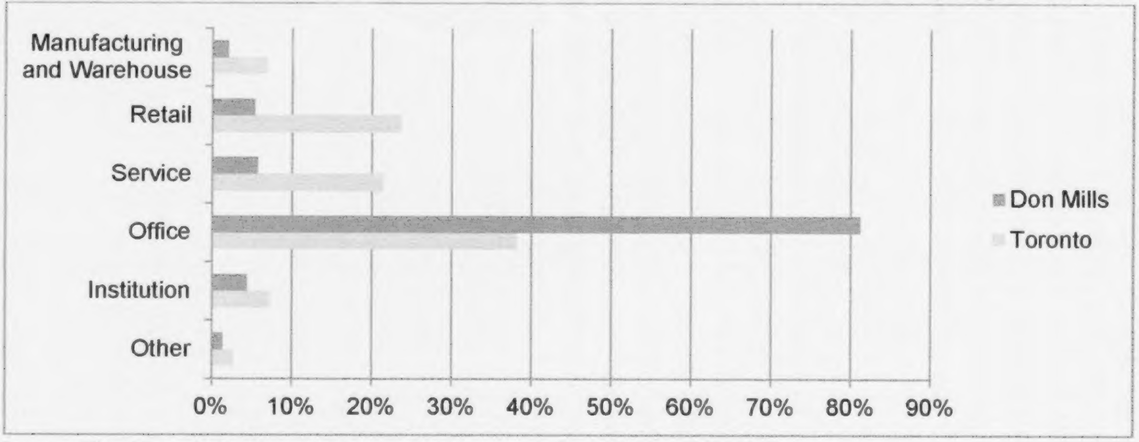
Source: City of Toronto Employment Survey, 2001 and 2011

Figure E.2.4: Employment Growth in the Don Mills Employment District by Major Sector, 2006 to 2011



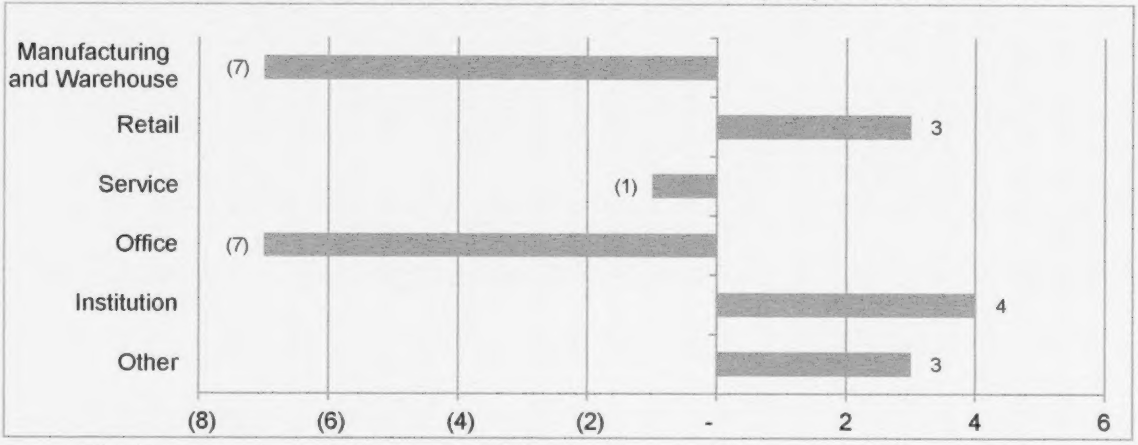
Source: City of Toronto Employment Survey, 2006 and 2011

Figure E.2.5: Establishment Structure (% Distribution) in the Don Mills Employment District by Major Sector, 2011



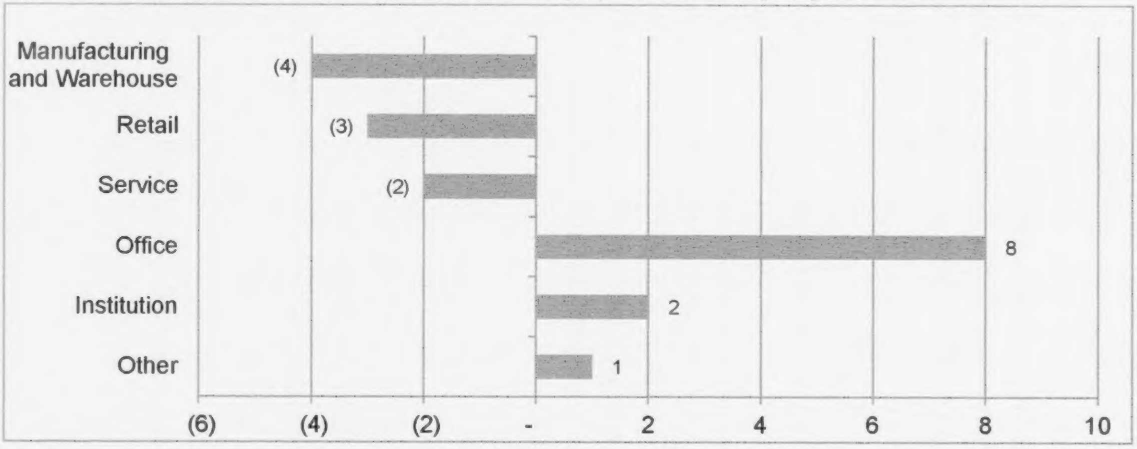
Source: City of Toronto Employment Survey, 2011

Figure E.2.6: Establishment Growth in the Don Mills Employment District by Major Sector, 2001 to 2011



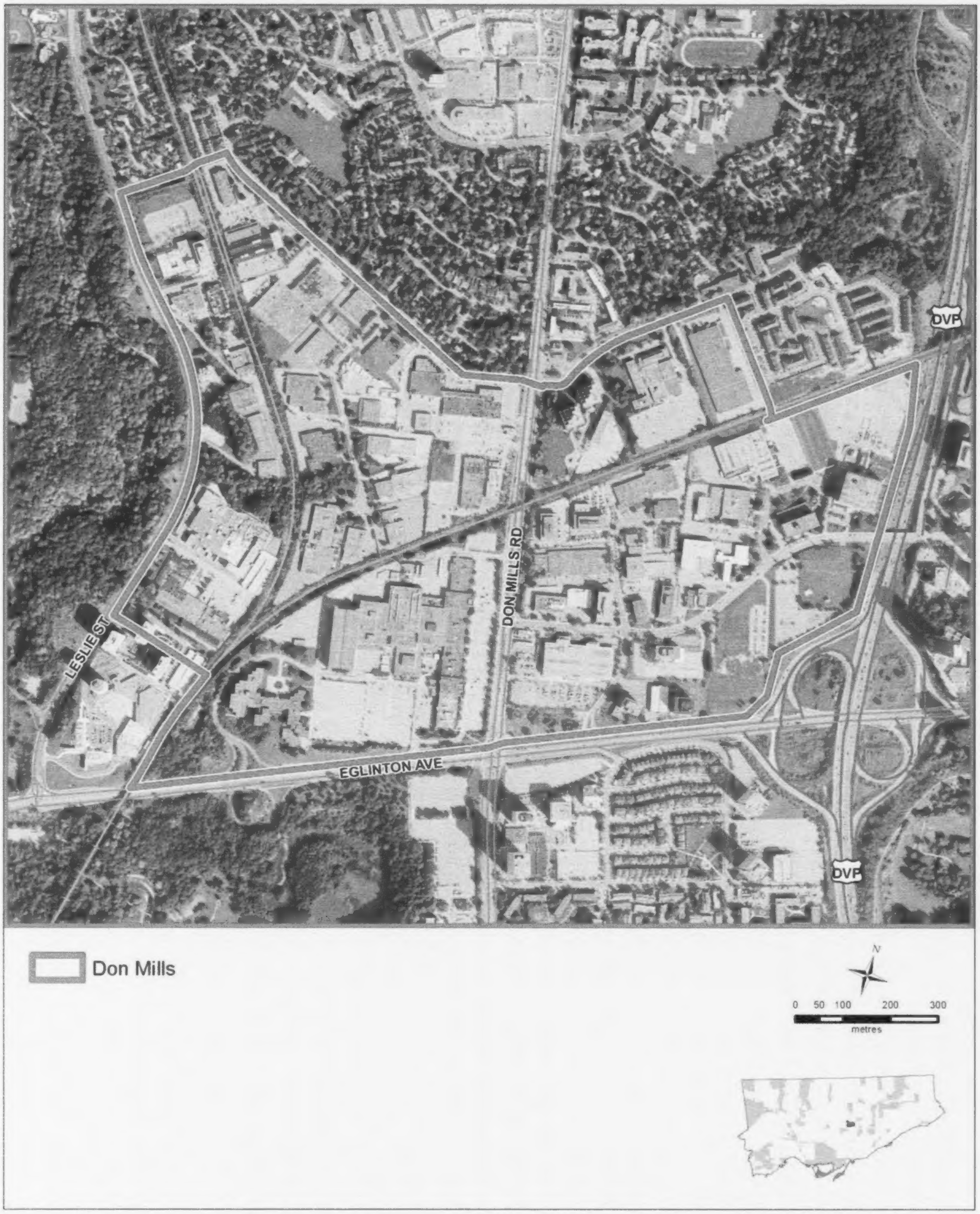
Source: City of Toronto Employment Survey, 2001 and 2011

Figure E.2.7: Establishment Growth in the Don Mills Employment District by Major Sector, 2006 to 2011



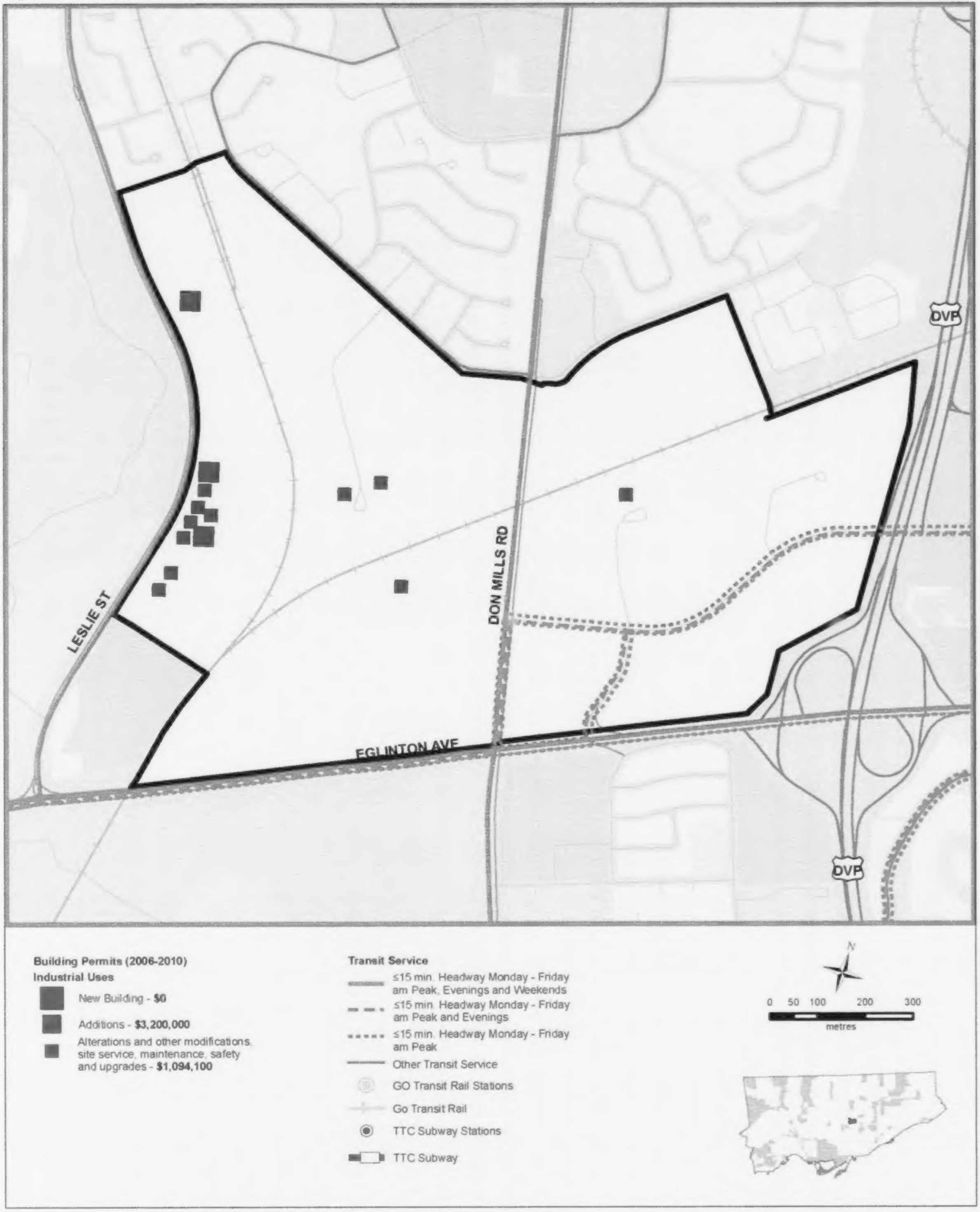
Source: City of Toronto Employment Survey, 2006 and 2011

Figure E.2.8: Extent and Character of the Don Mills Employment District


DVP
DON MILLS RD
LESLIE ST
EGLINTON AVE
DVP
Don Mills
N
0 50 100 200 300
metres

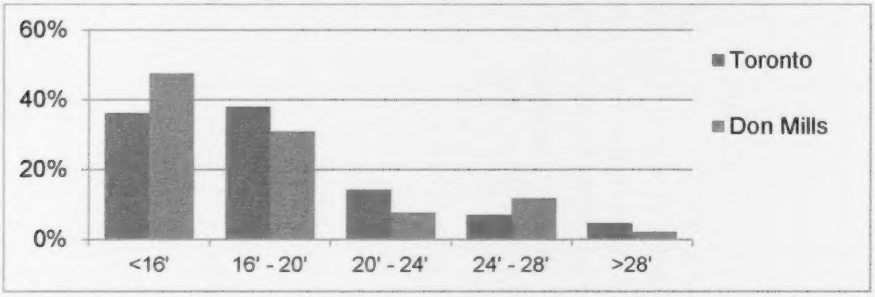
Source: 2012 Google Earth; © 2012 Digital Globe

Figure E.2.9: Industrial Re-investment and Transit Services in the Don Mills Employment District


DVP
DON MILLS RD
LESLIE ST
EGLINTON AVE
DVP
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $3,200,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $1,094,100
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 50 100 200 300
metres

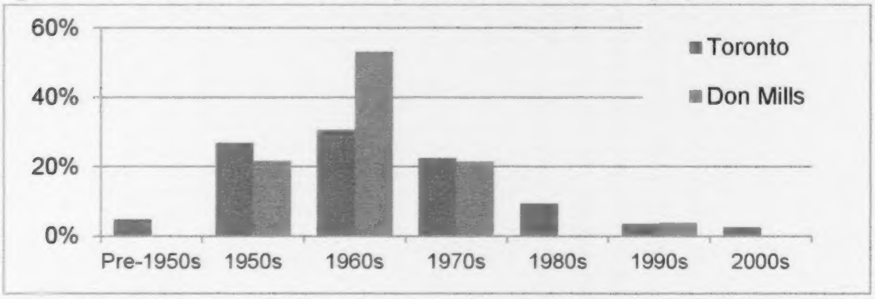
Source: City of Toronto. Toronto Transit Commission.

Figure E.2.10: Ceiling Height for Industrial Space in the Don Mills Employment District, 2011



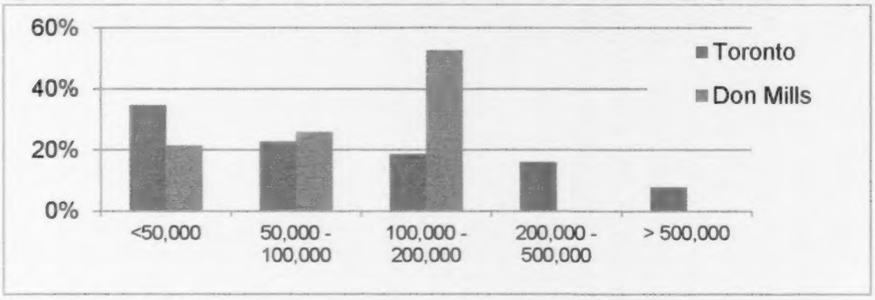
Source: C&W, 2011 Q4

Figure E.2.11: Built Year for Industrial Space in the Don Mills Employment District, 2011



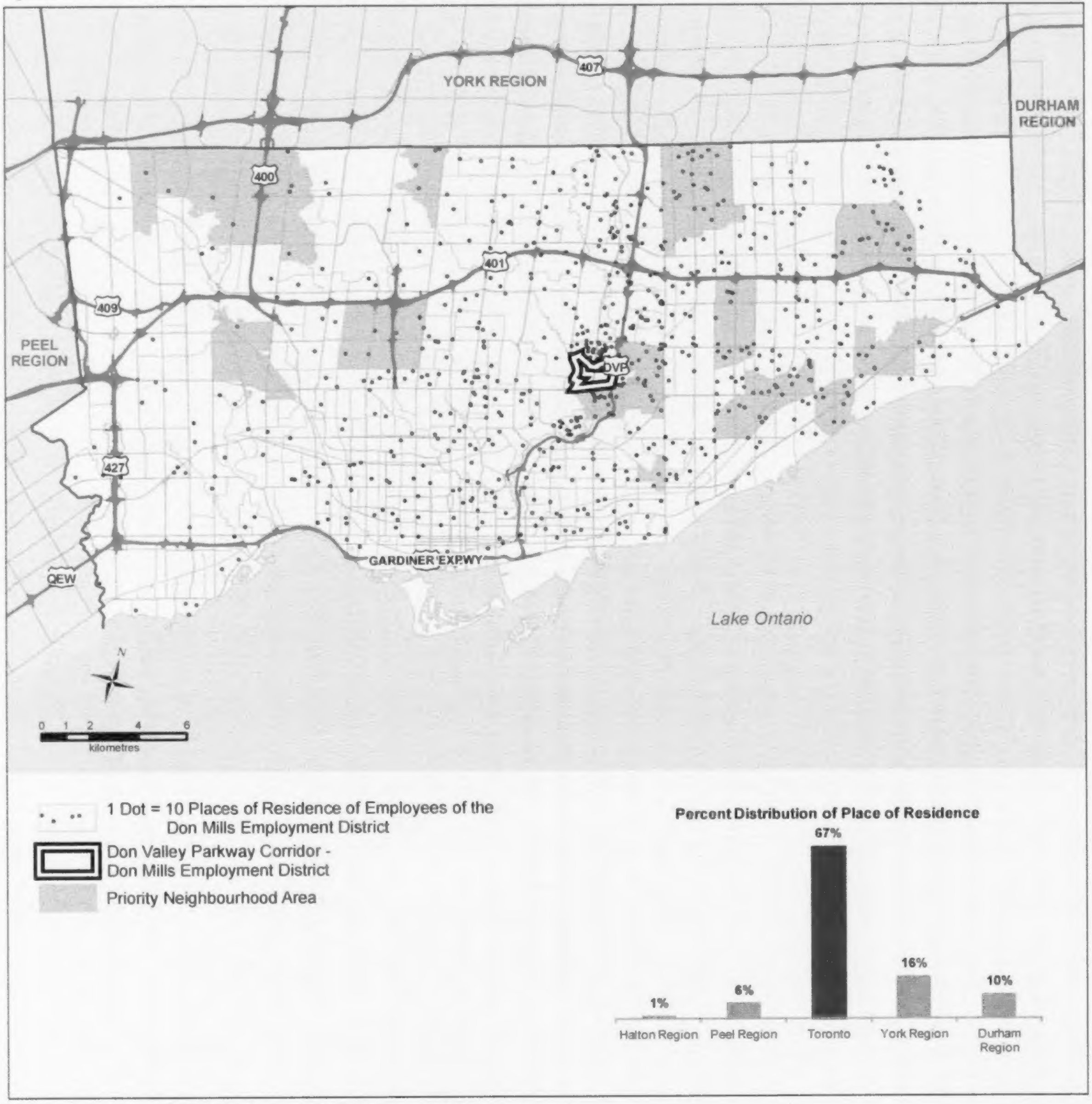
Source: C&W, 2011 Q4

Figure E.2.12: Building Size for Industrial Space in the Don Mills Employment District, 2011



Source: C&W, 2011 Q4

Figure E.2.13: Distribution of Place of Residence for Employment in the Don Mils Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Don Mills Employment District
Don Valley Parkway Corridor - Don Mills Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
6%
67%
16%
10%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

E.3 The Lesmill Employment District

The Lesmill Employment District is the second largest Employment District- Business Park with regard to employment, and is tied for the largest Employment District- Business Park with regard to net area. It is located in the middle of the six districts and is bound by Moatfield Farm Park to the north, Don Mills to the east, Bond Ave. to the south, and Leslie St. to the west. In 2011, the district employed 17,604 people predominantly in the Office sector. In total, The Lesmill Employment District has 627 firms.

Key Facts:

- ***The Lesmill Employment District employed 17,604 people in 2011, a 0.5% increase from 2006 but an 8.7% decline from 2001;***
- ***It supported 1.3% of the City's employment in 2011, and 0.7% of its non-residential assessment;***
- ***The district had 1,613,050 in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in the Institutional (28%) and Service (15%) sectors, with a 28% decline in its Manufacturing employment, and 12% decline in Office employment;***
- ***New establishment growth occurred in the Institutional, Service, and Retail sectors, with a loss of Manufacturing establishments;***
- ***With a net occupied land base of 133.7 ha, there is 3.2 million sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;***
- ***Most built industrial space dates to the 1960's, concentrated in buildings with clear ceiling heights less than 16 feet or between 16 and 20 feet;***
- ***The District is accessed from Don Mills Road, Leslie Street or York Mills, with arterial/edge and internal transit service. Don Mills Road is identified as a future LRT route in "The Big Move";***
- ***Of persons living in the GTAH, residents of Toronto hold 61% of the jobs located in the District.***

Figure E.3.1: Profile Data for the Lesmill Employment District, 2001, 2006 and 2011

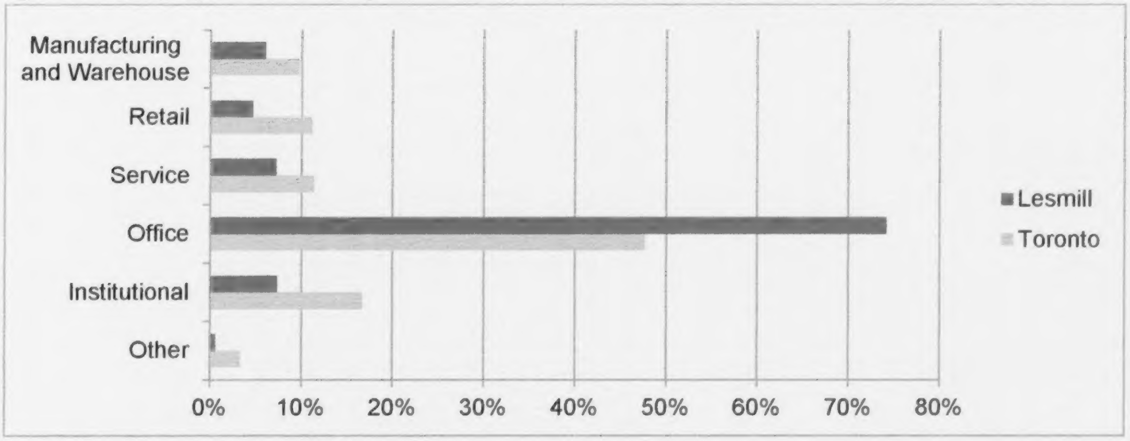
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	139.1	-	1.2%
Vacant Area (Ha)	-	-	5.4	-	0.6%
Vacant Area (% of Net)	-	-	4.5%	-	-
Employment (Total PT & FT)	19,280	17,508	17,604	-8.7%	1.3%
No. of Establishments	621	637	627	1.0%	0.8%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	66%, 15%, 8%, 4%, 7%	65%, 16%, 7%, 5%, 7%	66%, 17%, 6%, 4%, 7%	-	-
Industrial Inventory (sq.ft)	-	-	3,207,080	-	1.2%
Industrial Vacancy Rate	-	-	3.5%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.24	-	-
Total Non Res. Assessment ($)	$203,947,480	-	$547,454,845	0.7x	0.7%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

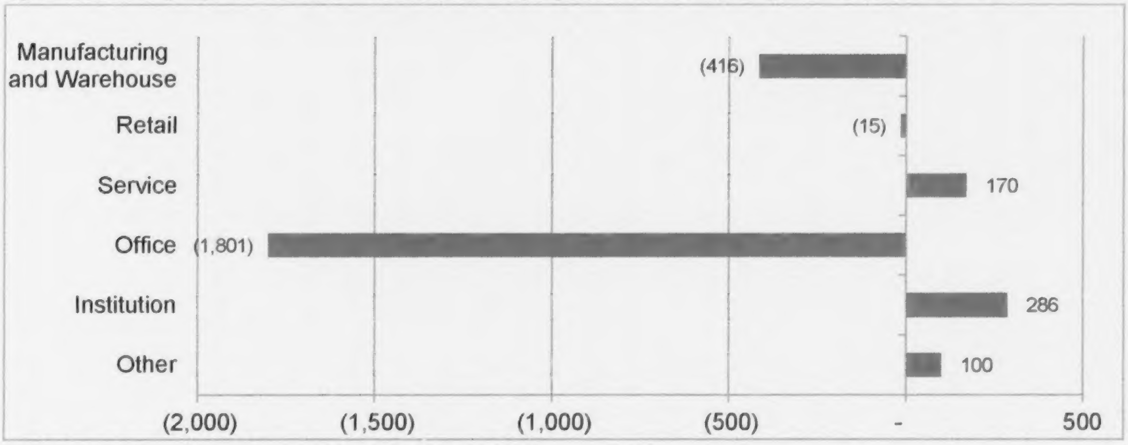
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure E.3.2: Employment Structure (% Distribution) in the Lesmill Employment District by Major Sector, 2011



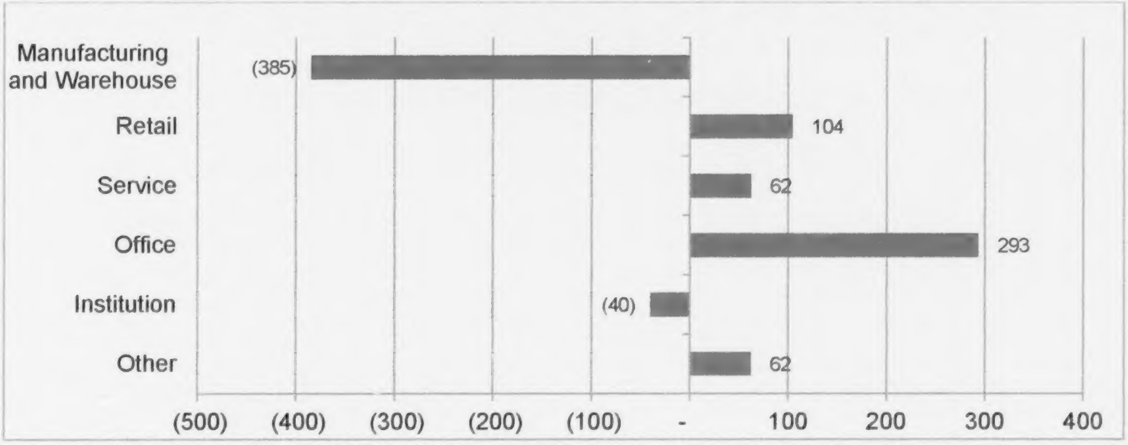
Source: City of Toronto Employment Survey, 2011

Figure E.3.3: Employment Growth in the Lesmill Employment District by Major Sector, 2001 to 2011



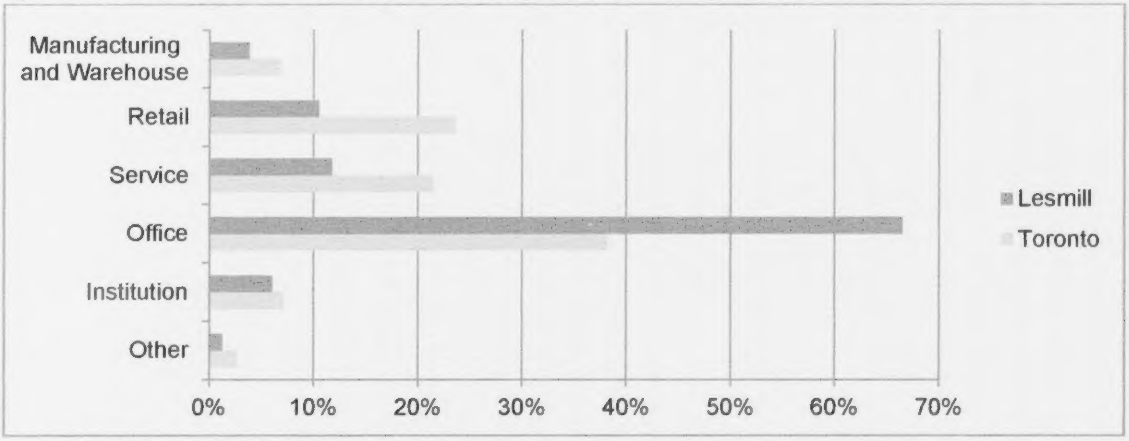
Source: City of Toronto Employment Survey, 2001 and 2011

Figure E.3.4: Employment Growth in the Lesmill Employment District by Major Sector, 2006 to 2011



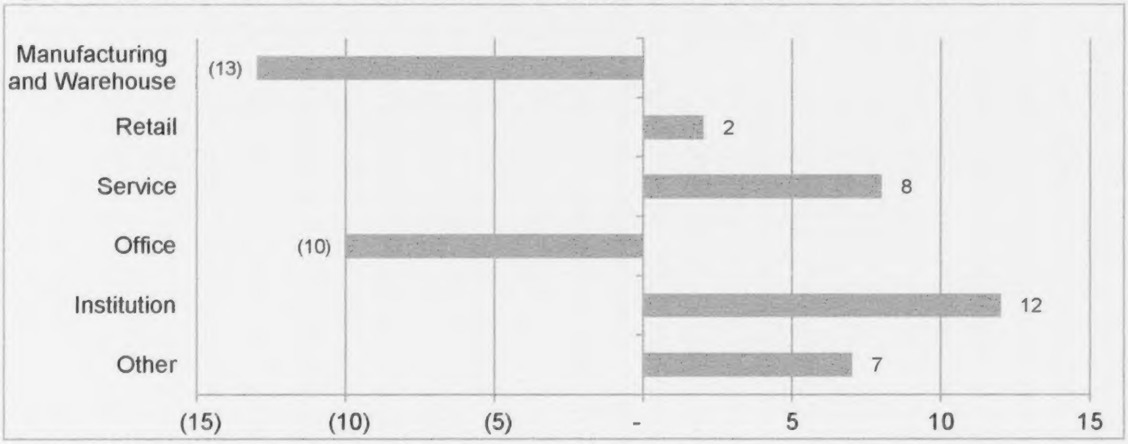
Source: City of Toronto Employment Survey, 2006 and 2011

Figure E.3.5: Establishment Structure (% Distribution) in the Lesmill Employment District by Major Sector, 2011



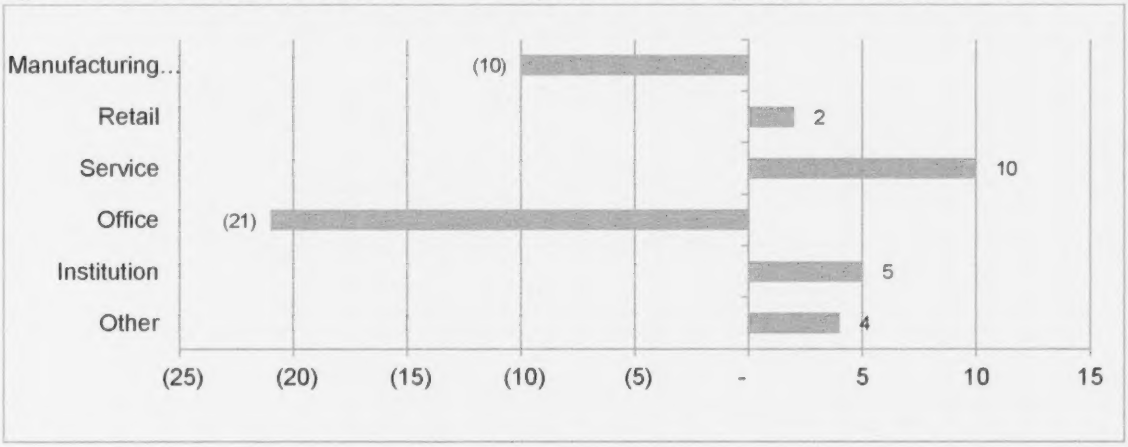
Source: City of Toronto Employment Survey, 2011

Figure E.3.6: Establishment Growth in the Lesmill Employment District by Major Sector, 2001 to 2011



Source: City of Toronto Employment Survey, 2001 and 2011

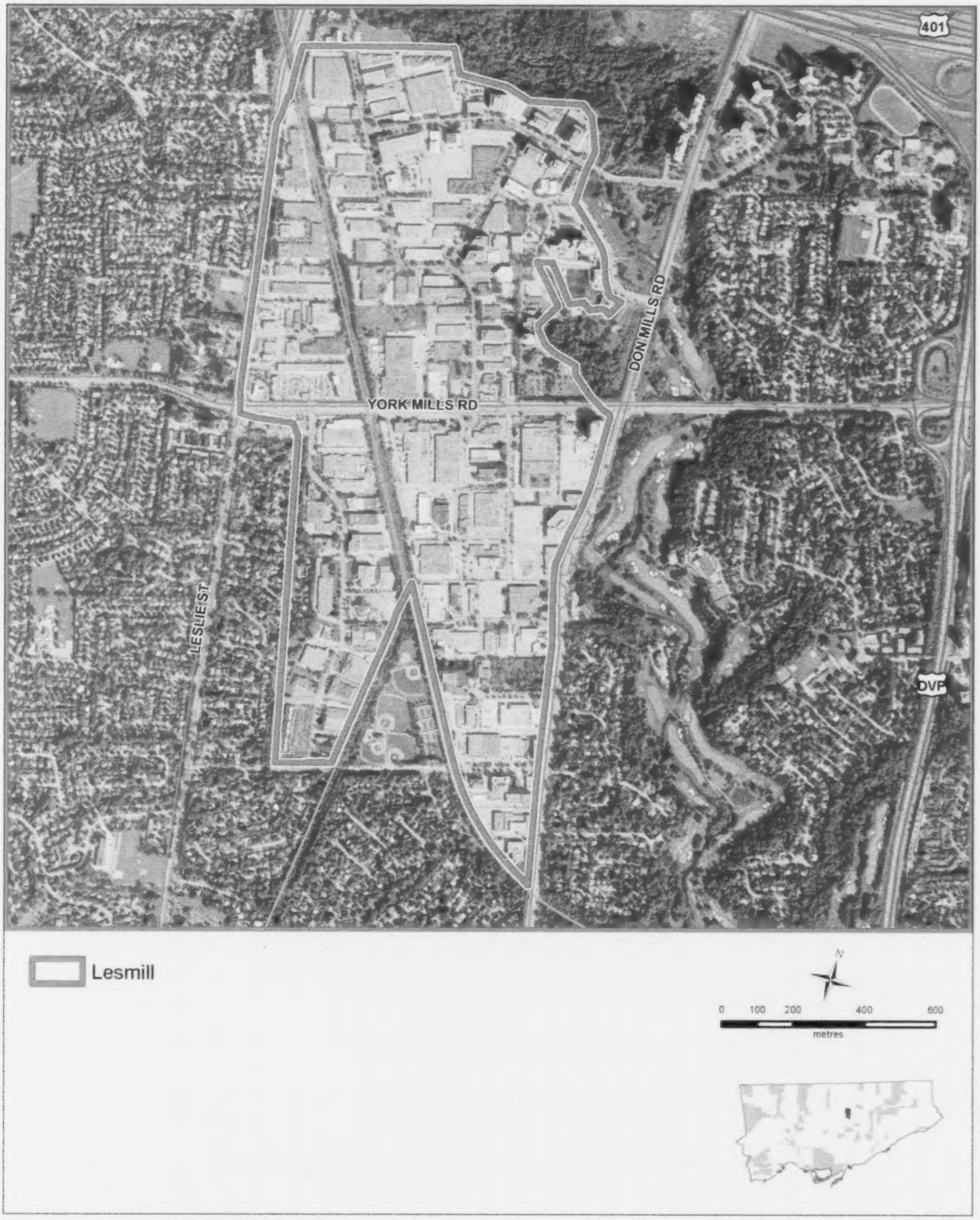
Figure E.3.7: Establishment Growth in the Lesmill Employment District by Major Sector, 2006 to 2011



Source: City of Toronto Employment Survey, 2006 and 2011

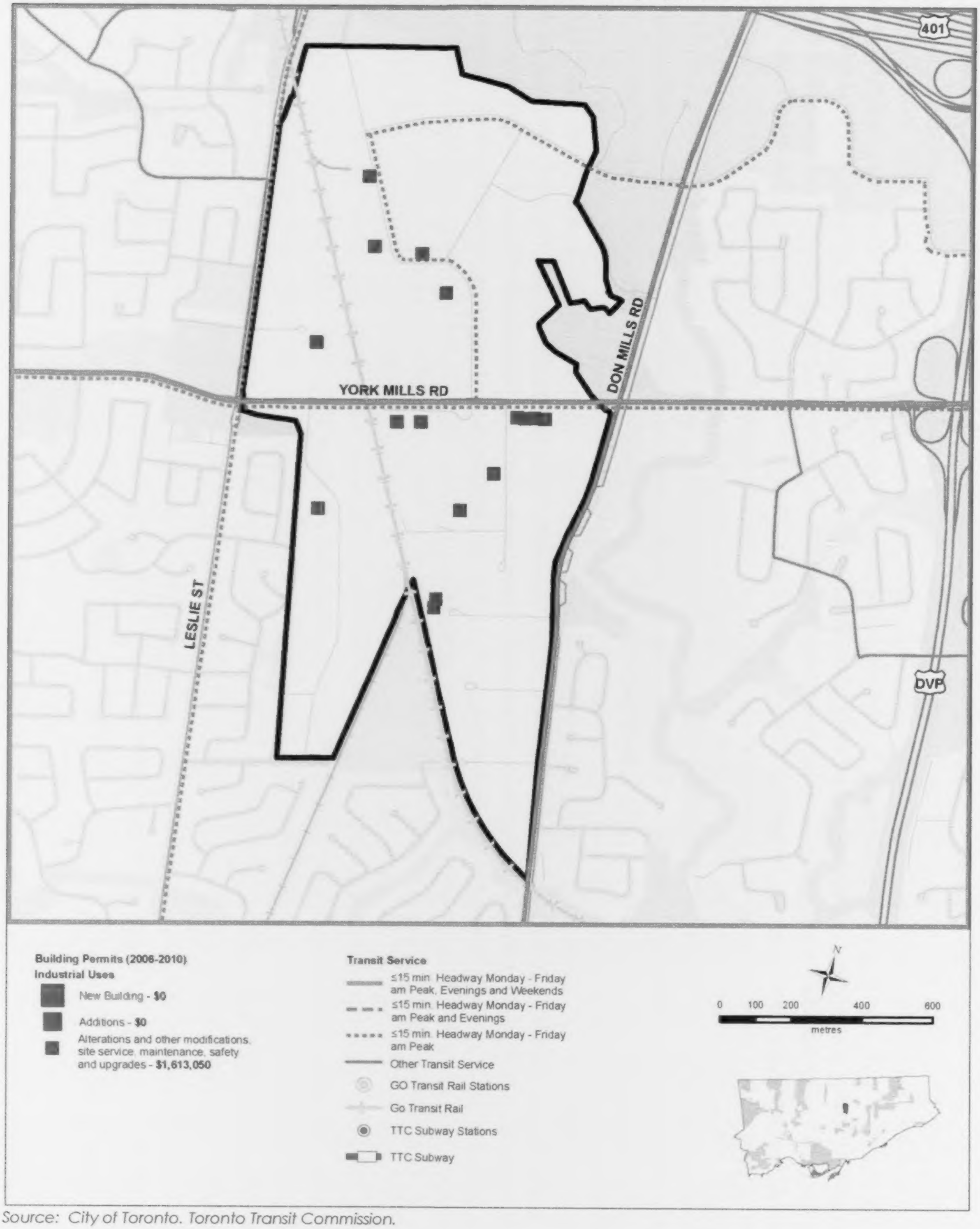
APPENDIX 3 E.3

Figure E.3.8: Extent and Character of the Lesmill Employment District


401
DON MILLS RD
YORK MILLS RD
LESLIE ST
DVP
Lesmill
N
0 100 200 400 600
metres

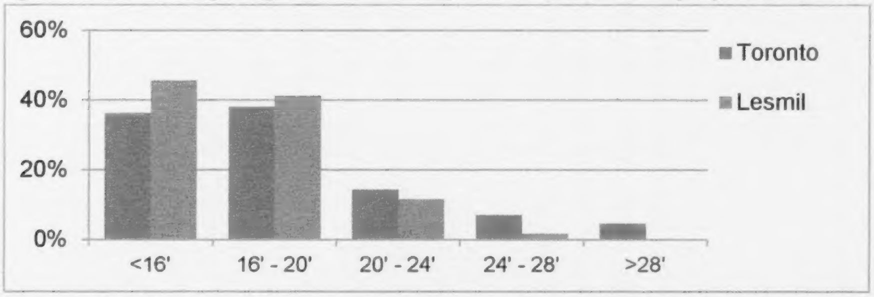
Source: 2012 Google Earth; © 2012 Digital Globe

Figure E.3.9: Industrial Re-investment and Transit Services in the Lesmill Employment District


401
YORK MILLS RD
DON MILLS RD
LESLIE ST
DVP
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $1,613,050
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0
100
200
400
600
metres

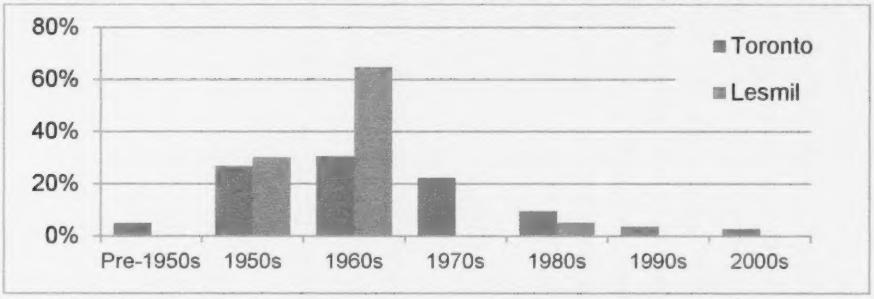
Source: City of Toronto. Toronto Transit Commission.

Figure E.3.10: Ceiling Height for Industrial Space in the Lesmill Employment District, 2011



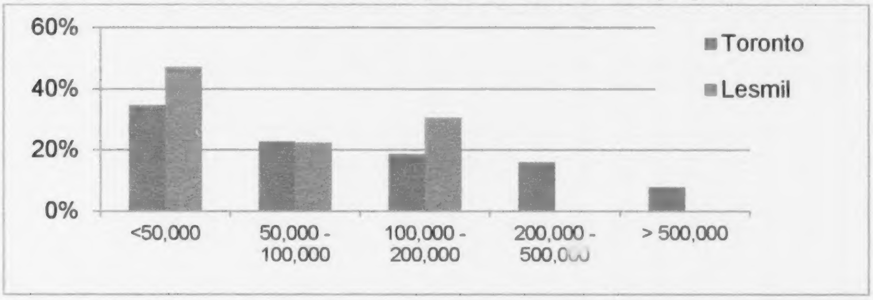
Source: C&W, 2011 Q4

Figure E.3.11: Built Year for Industrial Space in the Lesmill Employment District, 2011



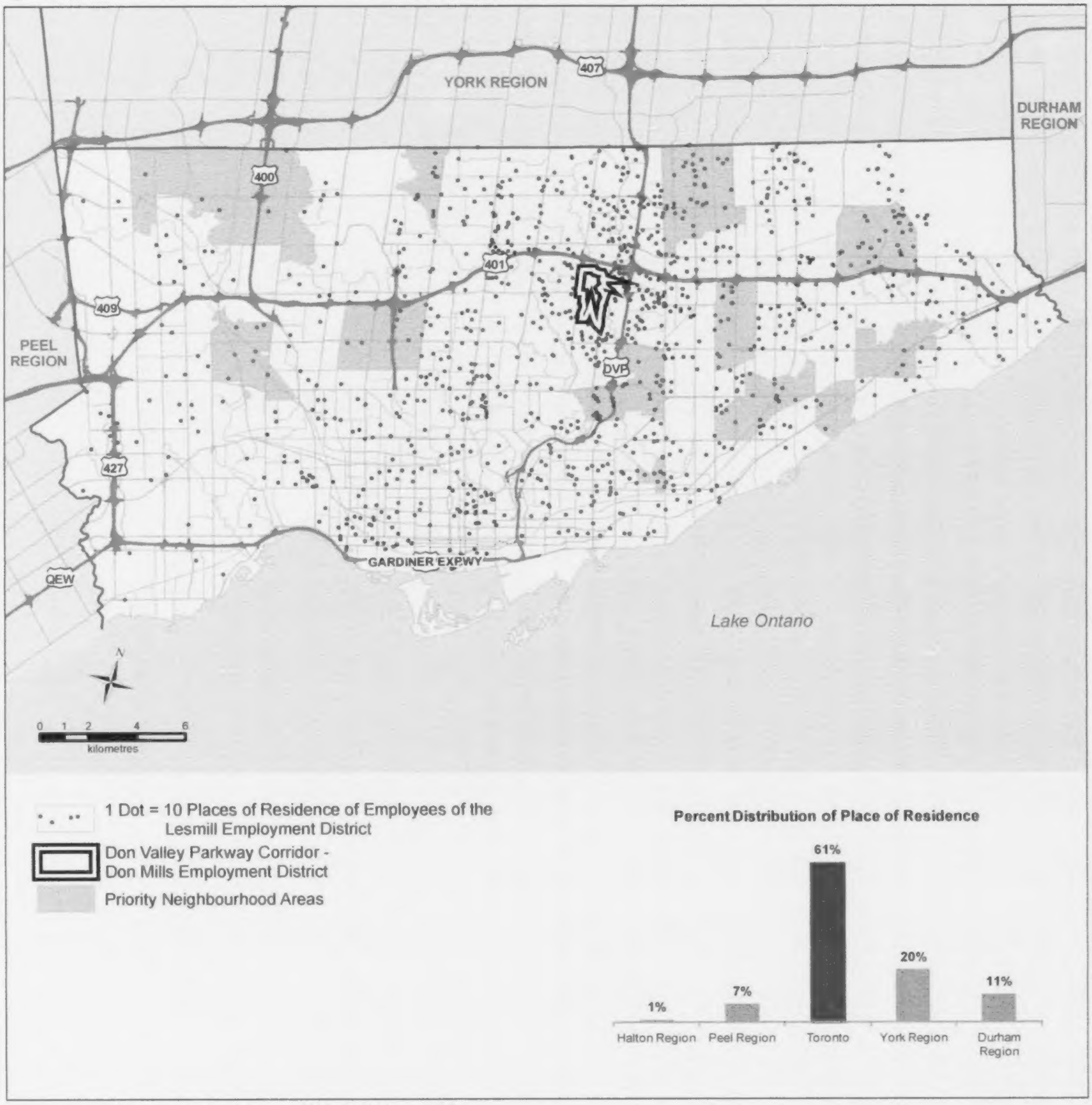
Source: C&W, 2011 Q4

Figure E.3.12: Building Size for Industrial Space in the Lesmill Employment District, 2011



Source: C&W, 2011 Q4

Figure E.3.13: Distribution of Place of Residence for Employment in the Lesmill Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Lesmill Employment District
Don Valley Parkway Corridor - Don Mills Employment District
Priority Neighbourhood Areas
Percent Distribution of Place of Residence
1%
7%
61%
20%
11%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006.

E.4 Woodbine / Steeles / VP Employment District

The Woodbine/Steeles VP Employment District is tied for the largest Employment District- Business Park with regard to net area. It is the most northern of the Employment District- Business Parks and is on the border of Toronto and York Region. It is bounded by Steeles Ave. to the north, Pharmacy Ave. to the east, McNicoll Ave. to the south, and Highway 404 to the west. In 2011, the district employed 12,500 people predominantly in the Office sector. In total, the Woodbine/Steeles VP Business Park has approximately 440 firms.

Key Facts:

- ***The Woodbine / Steeles / VP Employment District employed 12,500 people in 2011, a 24.1% decline from 2006 and a 3.1% increase from 2001;***
- ***It supported less than 1% of the City's employment in 2011, and 0.8% of its non-residential assessment;***
- ***The district had $5,690,725 in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in the Institutional (65%) and Retail (47%) sectors, with a 13% decline in its manufacturing employment;***
- ***New establishment growth occurred in the Institutional, Office and Manufacturing sectors, notwithstanding a loss of manufacturing jobs;***
- ***With a net occupied land base of 136.8 ha, there is 3.3 million sq. ft. of industrial building space with an average vacancy rate of 5.0% in 2011;***
- ***Most built industrial space dates to the 1970's, concentrated in buildings with clear ceiling heights less between 16 and 20 feet;***
- ***The District is accessed from Victoria Park Avenue or Steeles Avenue from Hwy 404 , with arterial/edge and internal transit service;***
- ***Of persons living in the GTAH, residents of Toronto hold 55% of the jobs located in the District.***

Figure E.4.1: Profile Data for the Woodbine / Steeles / VP Employment District Employment District, 2001 and 2011

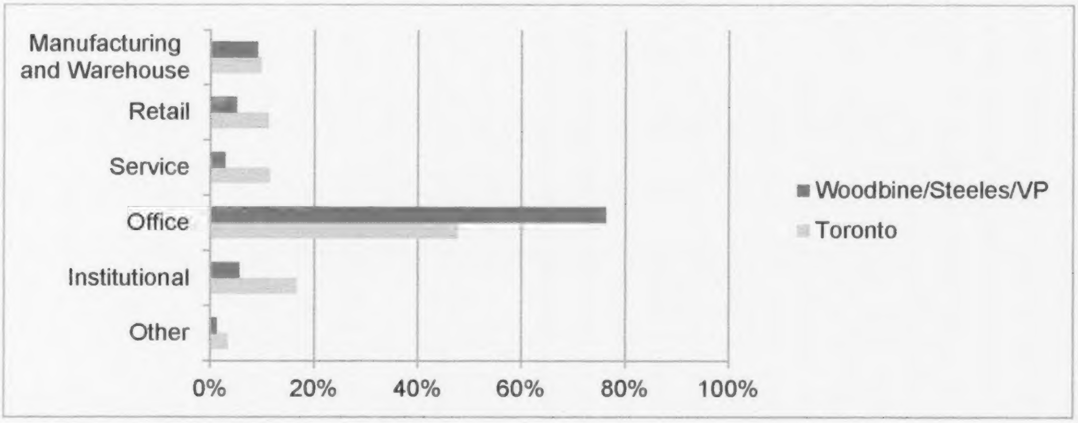
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	139.2	-	1.2%
Vacant Area (Ha)	-	-	2.4	-	0.3%
Vacant Area (% of Net)	-	-	1.9%	-	-
Employment (Total PT & FT)	12,120	16,471	12,500	3.1%	0.9%
No. of Establishments	371	425	440	18.6%	0.6%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	68%, 11%, 8%, 6%, 8%	66%, 14%, 7%, 5%, 8%	67%, 16%, 7%, 4% 6%	-	-
Industrial Inventory (sq.ft)	-	-	3,283,509	-	1.2%
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.23	-	-
Total Non Res. Assessment ($)	$223,201,094	-	$602,396,925	0.7x	0.8%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

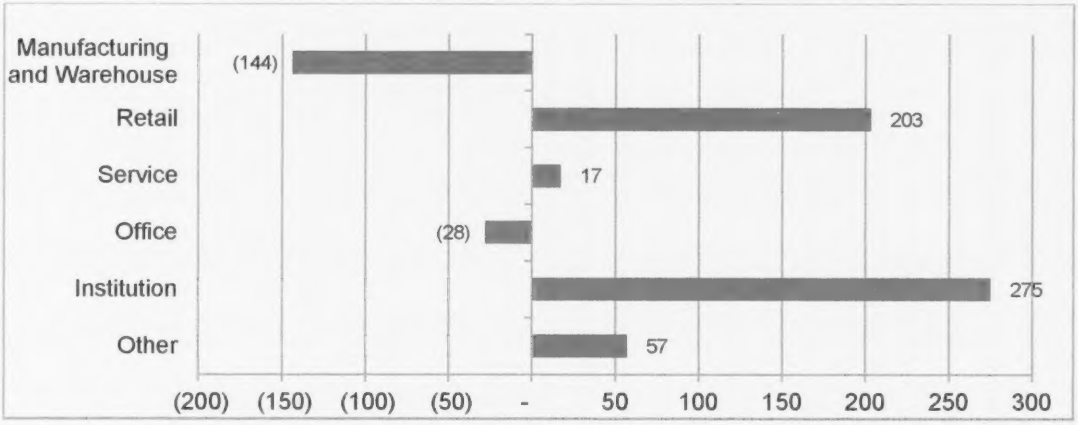
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure E.4.2: Employment Structure (% Distribution) in the Woodbine / Steeles / VP Employment District by Major Sector, 2011



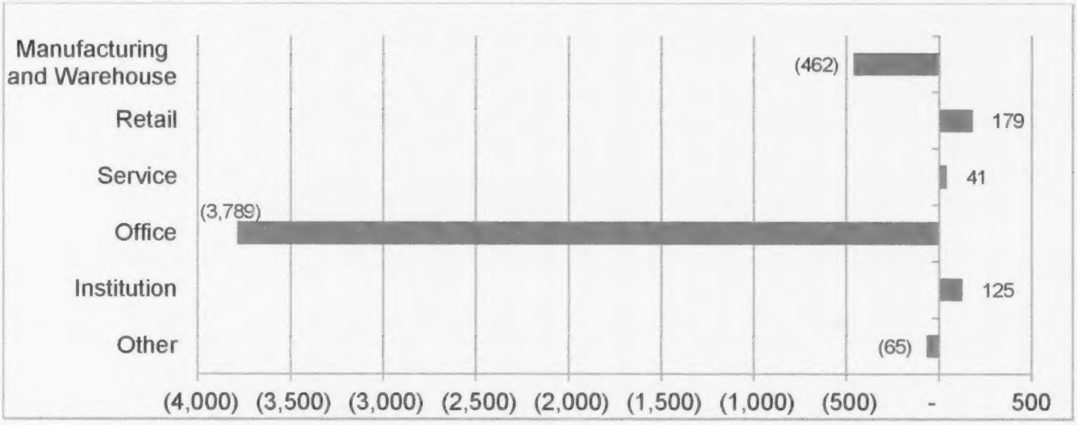
Source: City of Toronto Employment Survey, 2011

Figure E.4.3: Employment Growth in the Woodbine / Steeles / VP Employment District by Major Sector, 2001 to 2011



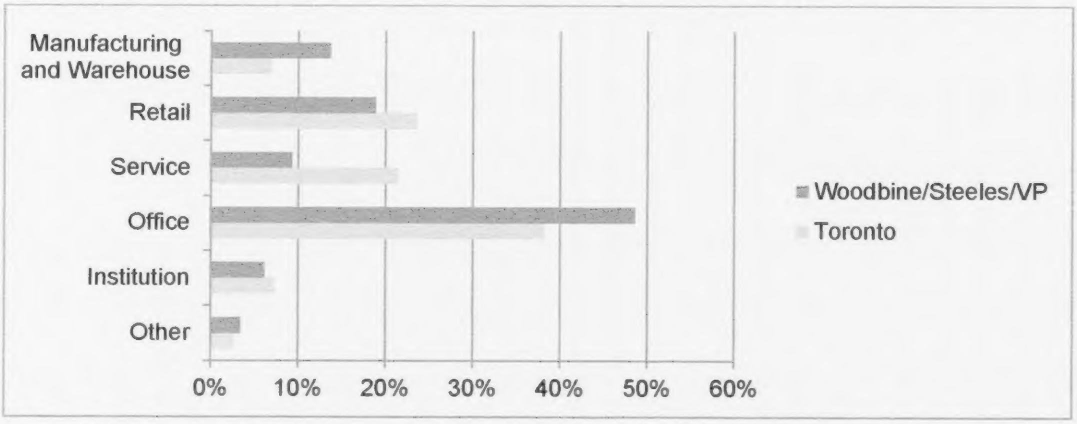
Source: City of Toronto Employment Survey, 2001 and 2011

Figure E.4.4: Employment Growth in the Woodbine / Steeles / VP Employment District by Major Sector, 2006 to 2011



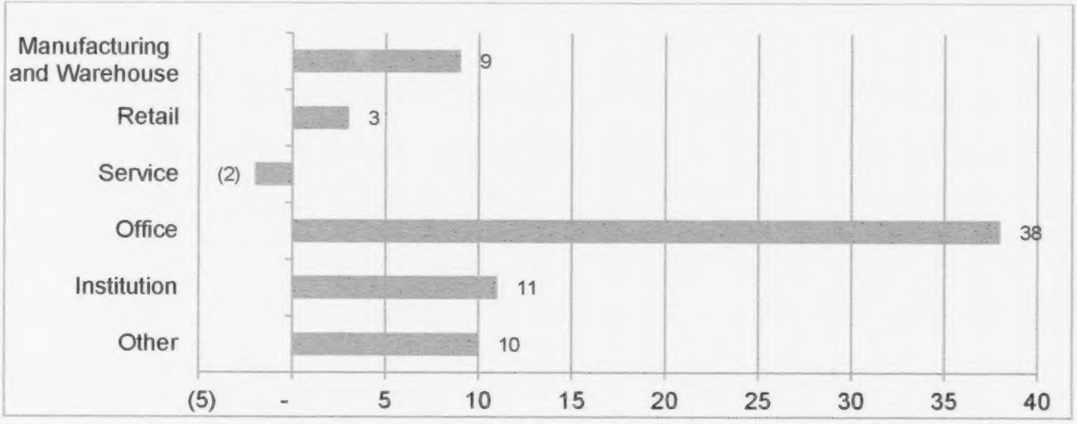
Source: City of Toronto Employment Survey, 2006 and 2011

Figure E.4.5: Establishment Structure (% Distribution) in the Woodbine / Steeles / VP Employment District by Major Sector, 2011



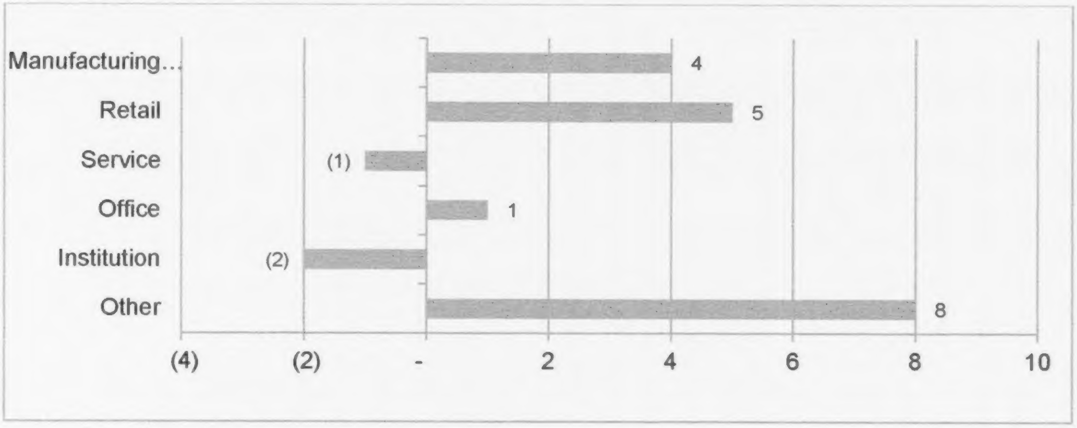
Source: City of Toronto Employment Survey, 2011

Figure E.4.6: Establishment Growth in the Woodbine / Steeles / VP Employment District by Major Sector, 2001 to 2011



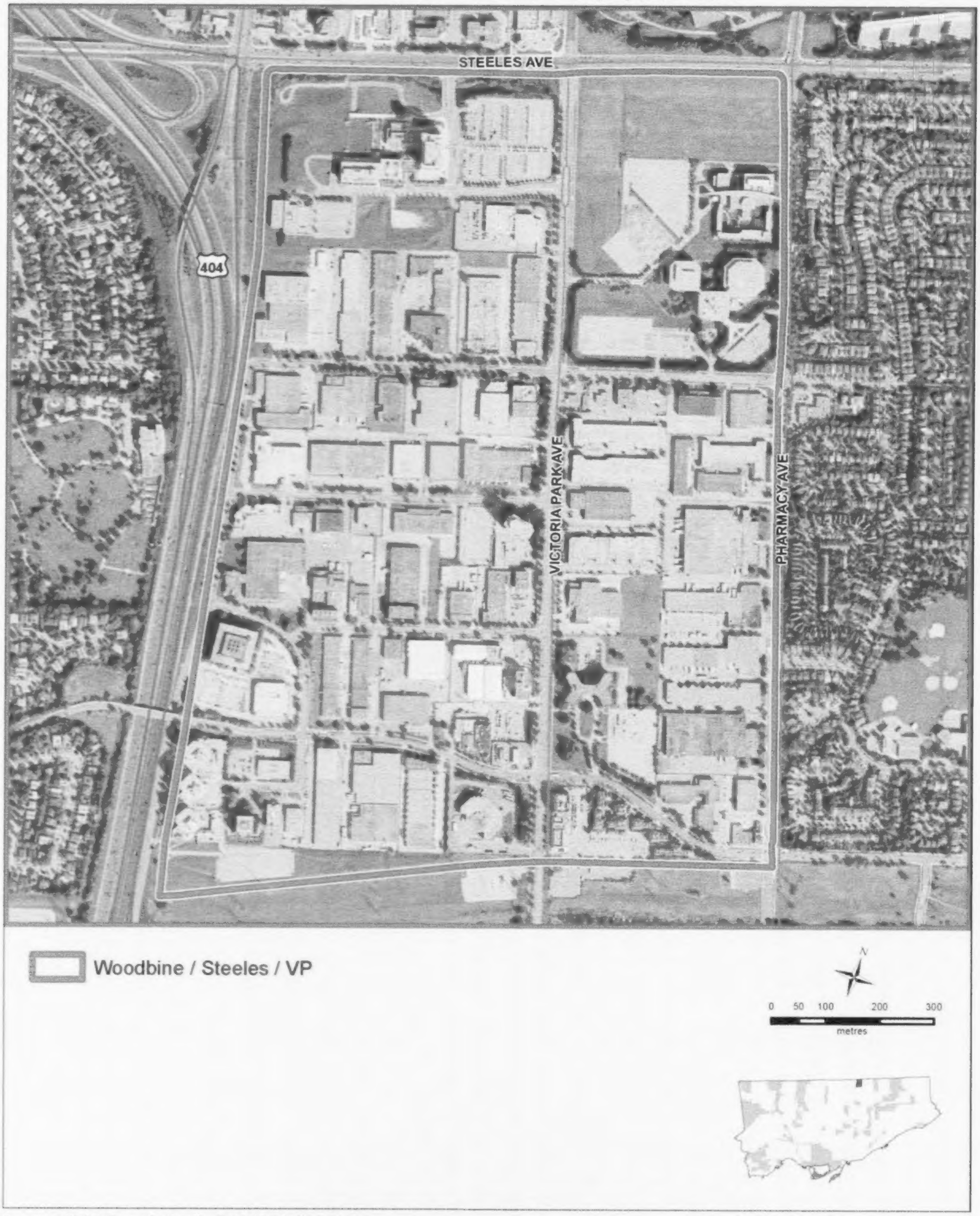
Source: City of Toronto Employment Survey, 2001 and 2011

Figure E.4.7: Establishment Growth in the Woodbine / Steeles / VP Employment District by Major Sector, 2006 to 2011



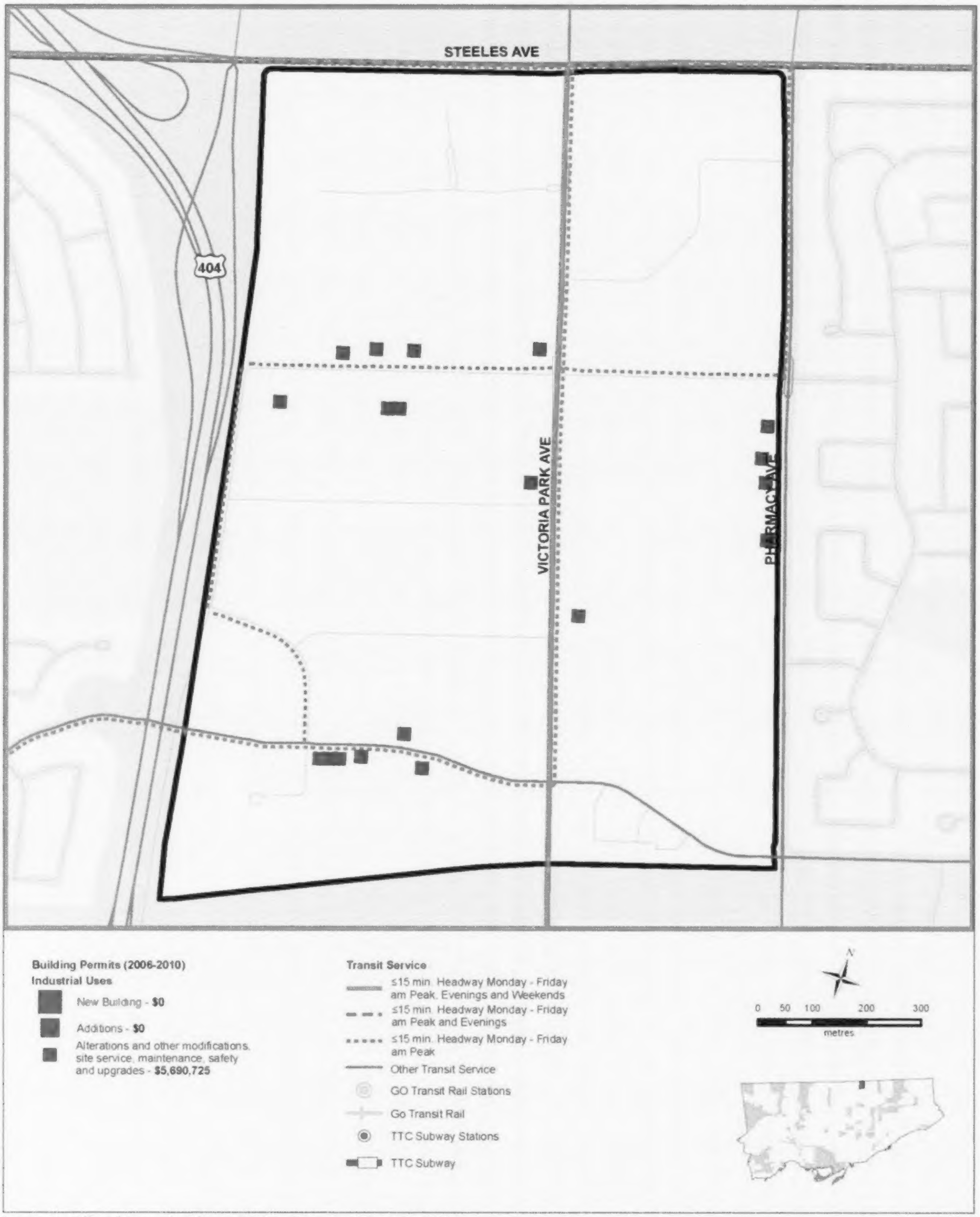
Source: City of Toronto Employment Survey, 2006 and 2011

Figure E.4.8: Extent and Character of the Woodbine / Steeles / VP Employment District


STEELES AVE
404
VICTORIA PARK AVE
PHARMACY AVE
Woodbine / Steeles / VP
N
0 50 100 200 300
metres

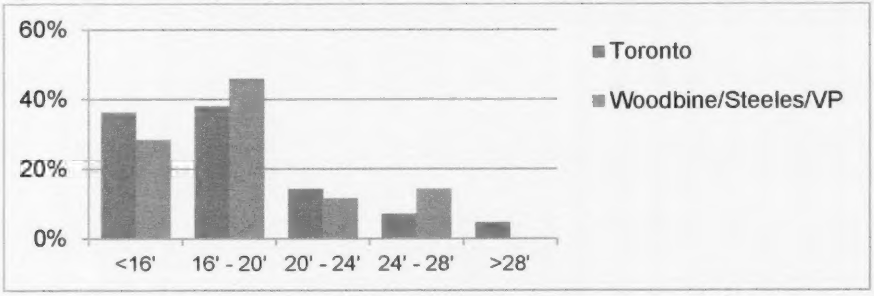
Source: 2012 Google Earth; © 2012 Digital Globe

Figure E.4.9: Industrial Re-investment and Transit Services in the Woodbine / Steeles / VP Employment District


STEELES AVE
404
VICTORIA PARK AVE
PHARMACY AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $0
Alterations and other modifications, site service, maintenance, safety and upgrades - $5,690,725
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0
50
100
200
300
metres

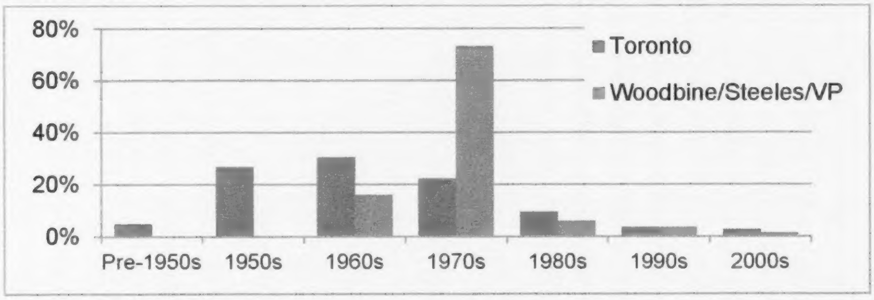
Source: City of Toronto. Toronto Employment Survey, 2011

Figure E.4.10: Ceiling Height for Industrial Space in the Woodbine / Steeles / VP Employment District, 2011



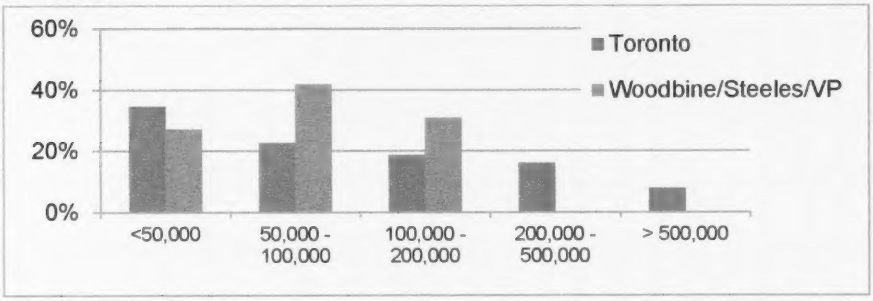
Source: C&W, 2011 Q4

Figure E.4.11: Built Year for Industrial Space in the Woodbine / Steeles / VP Employment District Employment District, 2011



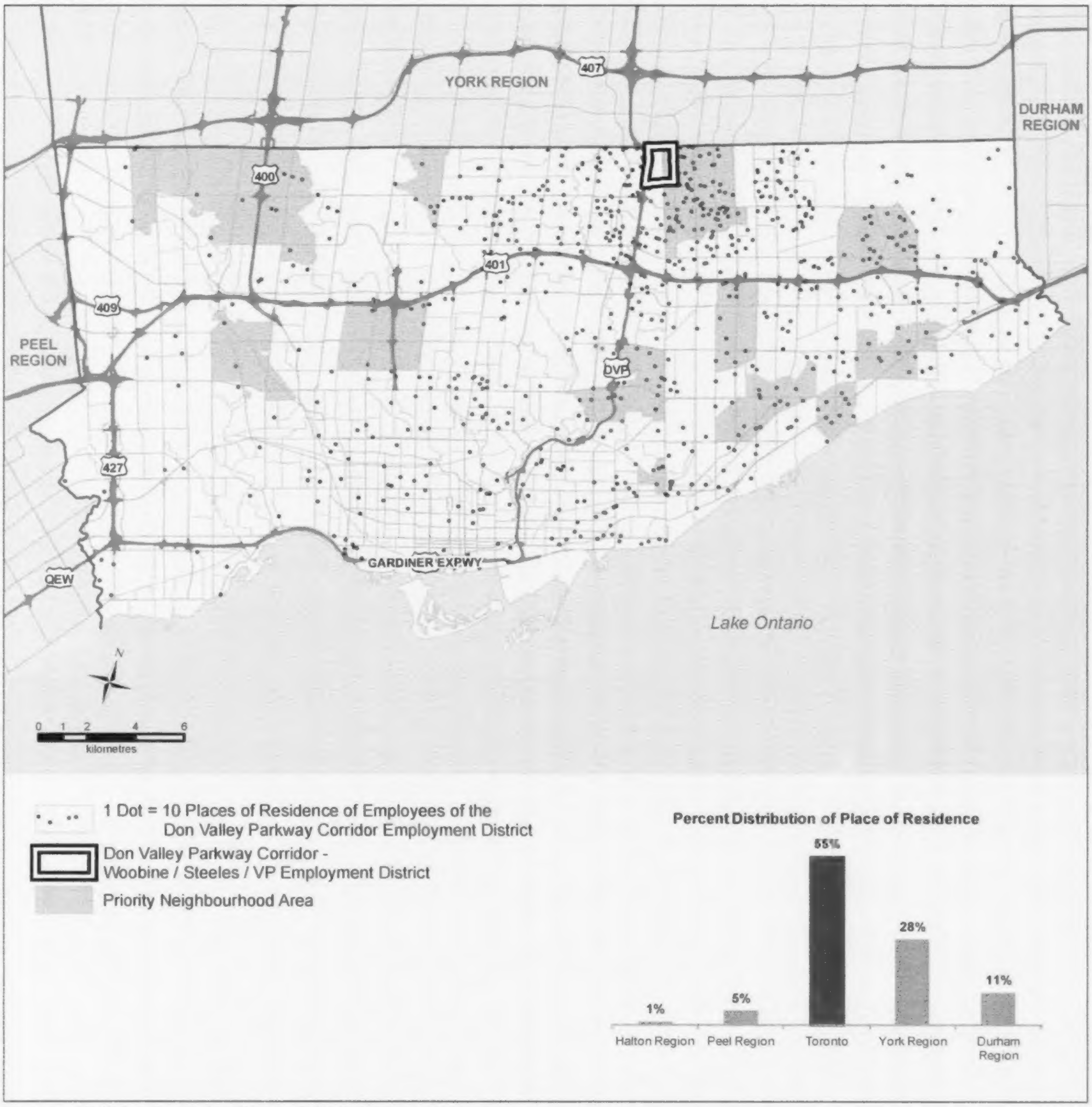
Source: C&W, 2011 Q4

Figure E.4.12: Building Size for Industrial Space in the Woodbine / Steeles / VP Employment District Employment District, 2011



Source: C&W, 2011 Q4

Figure E.4.13: Distribution of Place of Residence for Employment in the Woodbine / Steeles / VP Employment District, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Don Valley Parkway Corridor Employment District
Don Valley Parkway Corridor - Woobine / Steeles / VP Employment District
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
5%
55%
28%
11%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status – 2006 Census.

APPENDIX 3 F

Employment Areas Outside of Employment Districts

Summary Profile Data for Employment Areas Outside of Districts, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	597.2	-	5.3%
Vacant Area (Ha)	-	-	61.2	-	6.7%
Vacant Area (% of Net)	-	-	10.6%	-	-
Employment (Total PT & FT)	32,854	29,605	32,700	-0.5%	2.5%
No. of Establishments	1,902	1,966	2,098	10.3%	2.8%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	78%, 12%, 5%, 3%, 3%	79%, 11%, 6%, 2%, 2%	80%, 11%, 5%, 2%, 3%	-	-
Industrial Inventory (sq.ft.)	-	-	12,735,829	-	4.7%
Office Space (Net Rentable Area, sq.ft.)	1,126,449	1,243,449	1,288,049	14.4%	1.0%
Unoccupied Office Space	0%	15.7%	16.5%	-	-
Office Rental Rate (Gross $/sq.ft.)	-	-	$28.20	-	-
Total Non Res. Assessment ($)	$539,089,113	-	$1,448,098,729	0.7x	1.8%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

This Page Is Left Intentionally Blank

F.1 The Junction Employment Cluster

Key Facts:

- ***The Junction Employment Cluster employed 7,150 people in 2011, a 0.1% decline from 2006 and a 9.4% decline from 2001;***
- ***The Junction has evolved to incorporate a significant retail presence on the former Stockyards lands;***
- ***It supported less than 0.5% of the City's employment in 2011, and 0.5% of its non-residential assessment;***
- ***This area generated $3,028,100 in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in the Institutional (158%), Service (9%) and Retail (19%) sectors, while there was a 22% decline in its Manufacturing and Warehouse employment and a 26% decline in Office.***
- ***New establishment growth occurred in the Office sector, notwithstanding a loss of employment, but establishments declined across all other sectors;;***
- ***With a net occupied land base of 121.5 ha, there is 4.3 million sq. ft. of industrial building space with an average vacancy rate of 1.9% in 2011;***
- ***Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The area is accessed from Weston Road, Dundas Street or St. Clair Avenue, with arterial and limited internal transit service.***

Figure F.1.1: Profile Data for the Junction Employment Cluster, 2001, 2006 and 2011

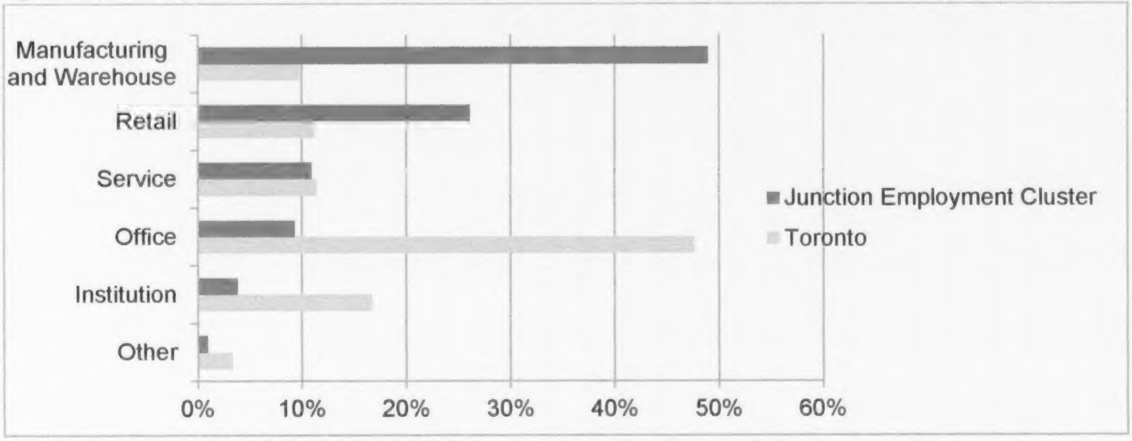
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	152.4	-	1.4%
Vacant Area (Ha)	-	-	30.9	-	3.4%
Vacant Area (% of Net)	-	-	20.9%	-	-
Employment (Total PT & FT)	7,888	7,160	7,150	-9.4%	0.5%
No. of Establishments	366	356	430	17.5%	0.6%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	74%, 11%, 7%, 4%, 4%	73%, 13%, 6%, 3%, 5%	78%, 11%, 5%, 3%, 4%	-	-
Industrial Inventory (sq.ft)	-	-	4,283,570	-	1.6%
Industrial Vacancy Rate	-	-	1.9%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$7.86	-	-
Total Non Res. Assessment ($)	$140,713,565	-	$433,338,364	0.8x	0.5%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

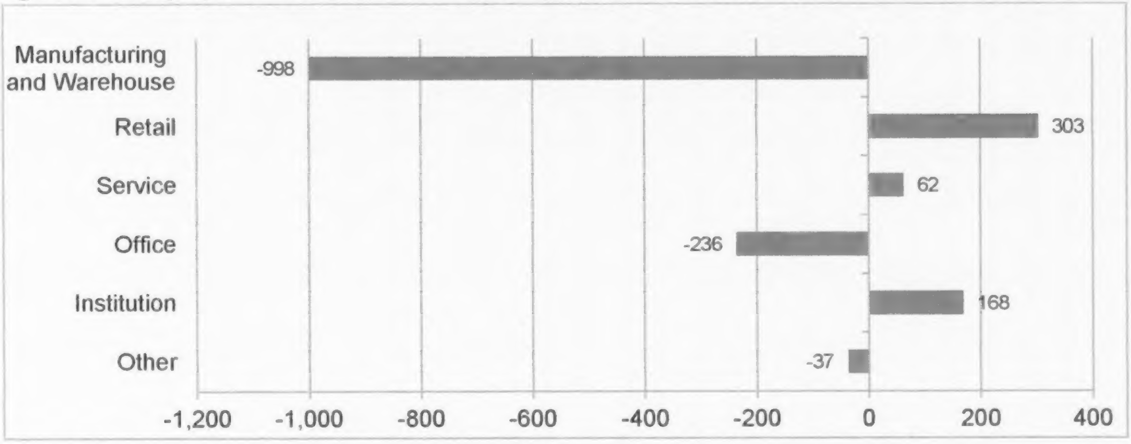
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure F.1.2: Employment Structure (% Distribution) in the Junction Employment Cluster by Major Sector, 2011



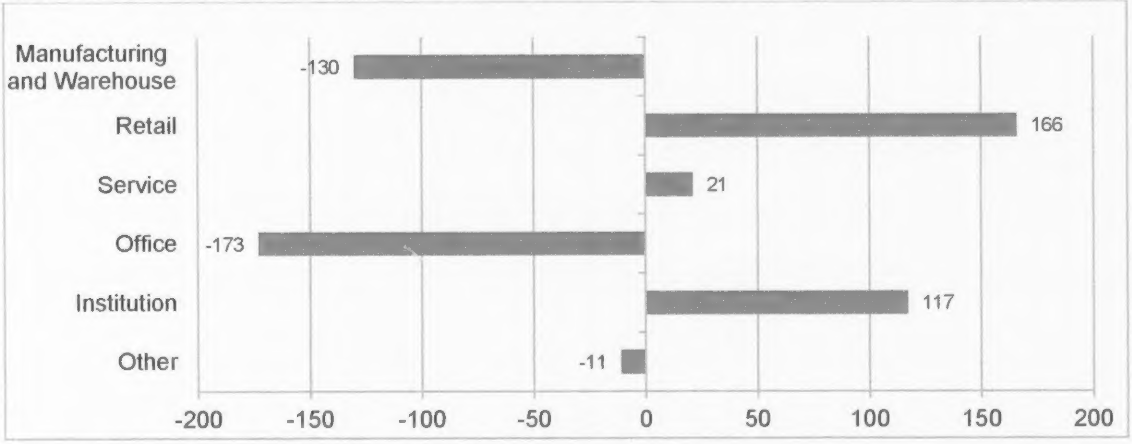
Source: City of Toronto Employment Survey, 2011

Figure F.1.3: Employment Growth in the Junction Employment Cluster by Major Sector, 2001 to 2011



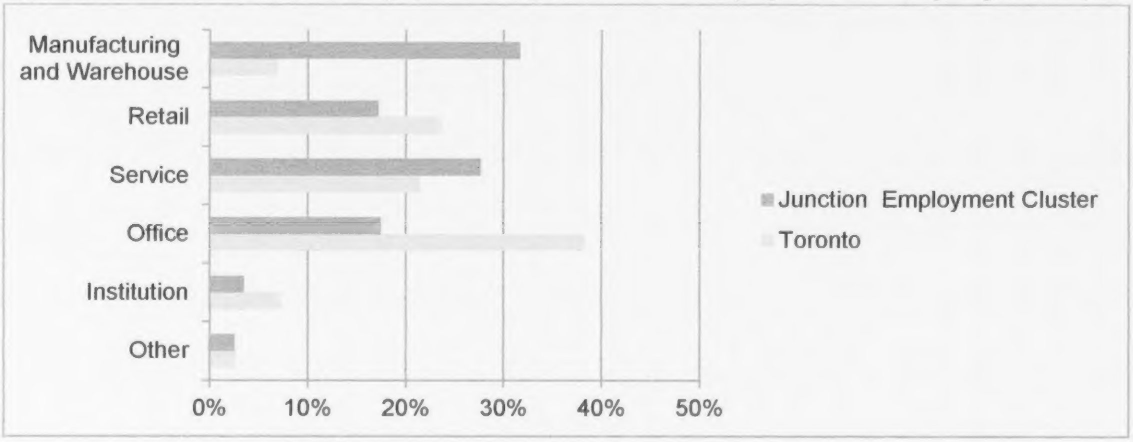
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.1.4: Employment Growth in the Junction Employment Cluster by Major Sector, 2006 to 2011



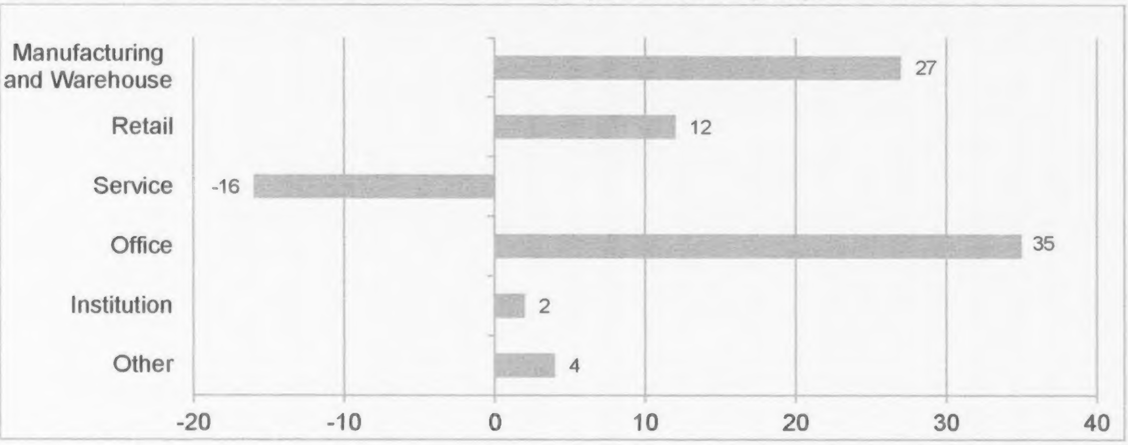
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.1.5: Establishment Structure (% Distribution) in the Junction Employment Cluster by Major Sector, 2011



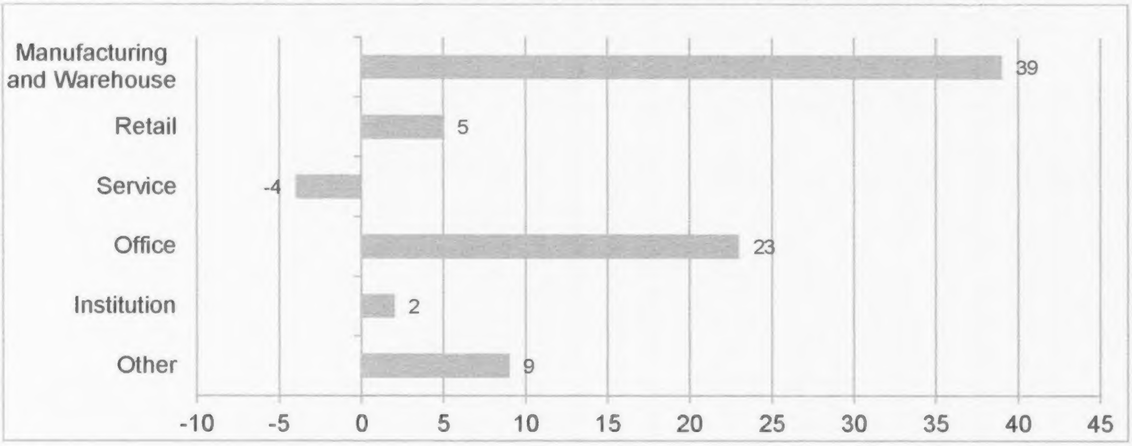
Source: City of Toronto Employment Survey, 2011

Figure F.1.6: Establishment Growth in the Junction Employment Cluster by Major Sector, 2001 to 2011



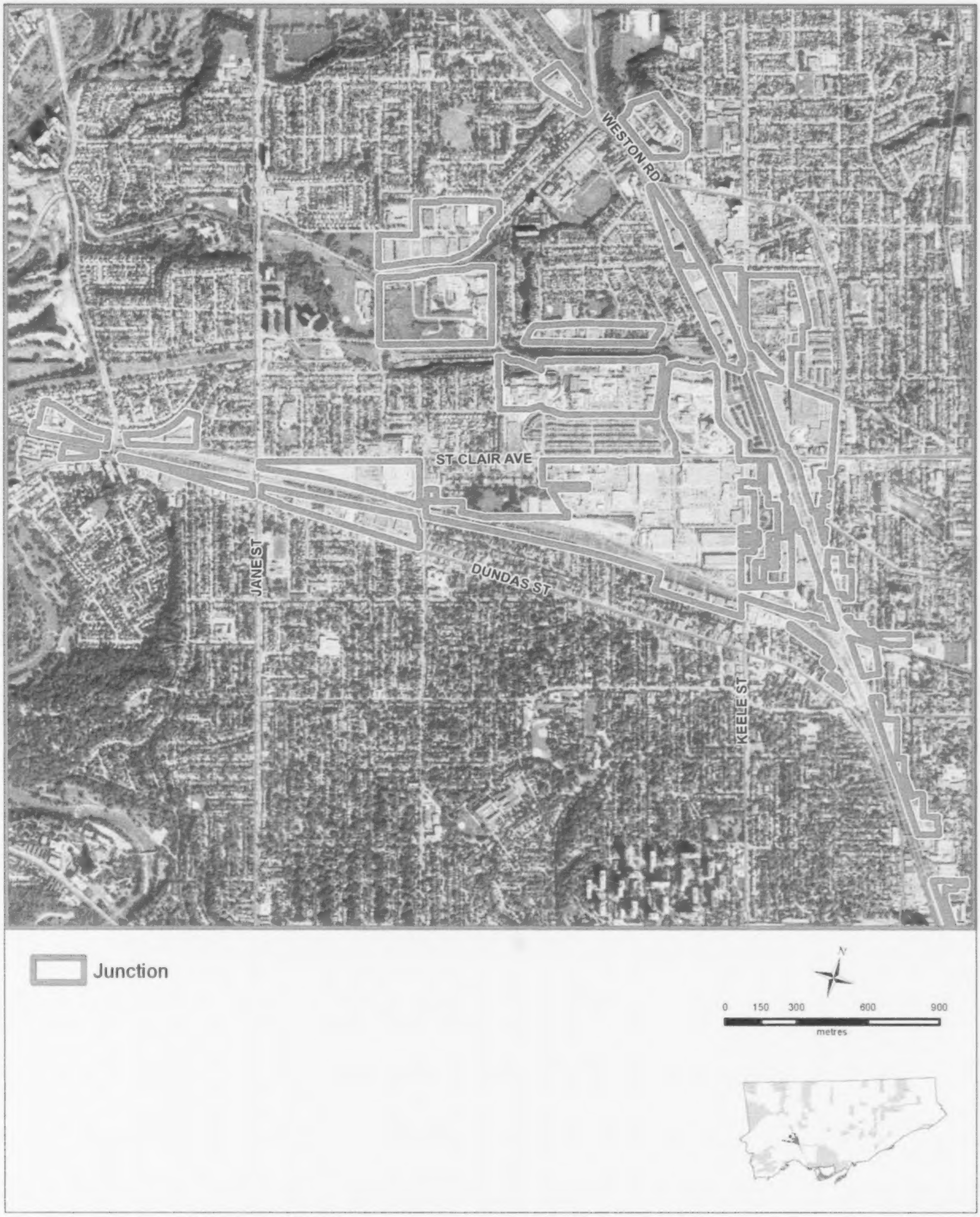
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.1.7: Establishment Growth in the Junction Employment Cluster by Major Sector, 2006 to 2011



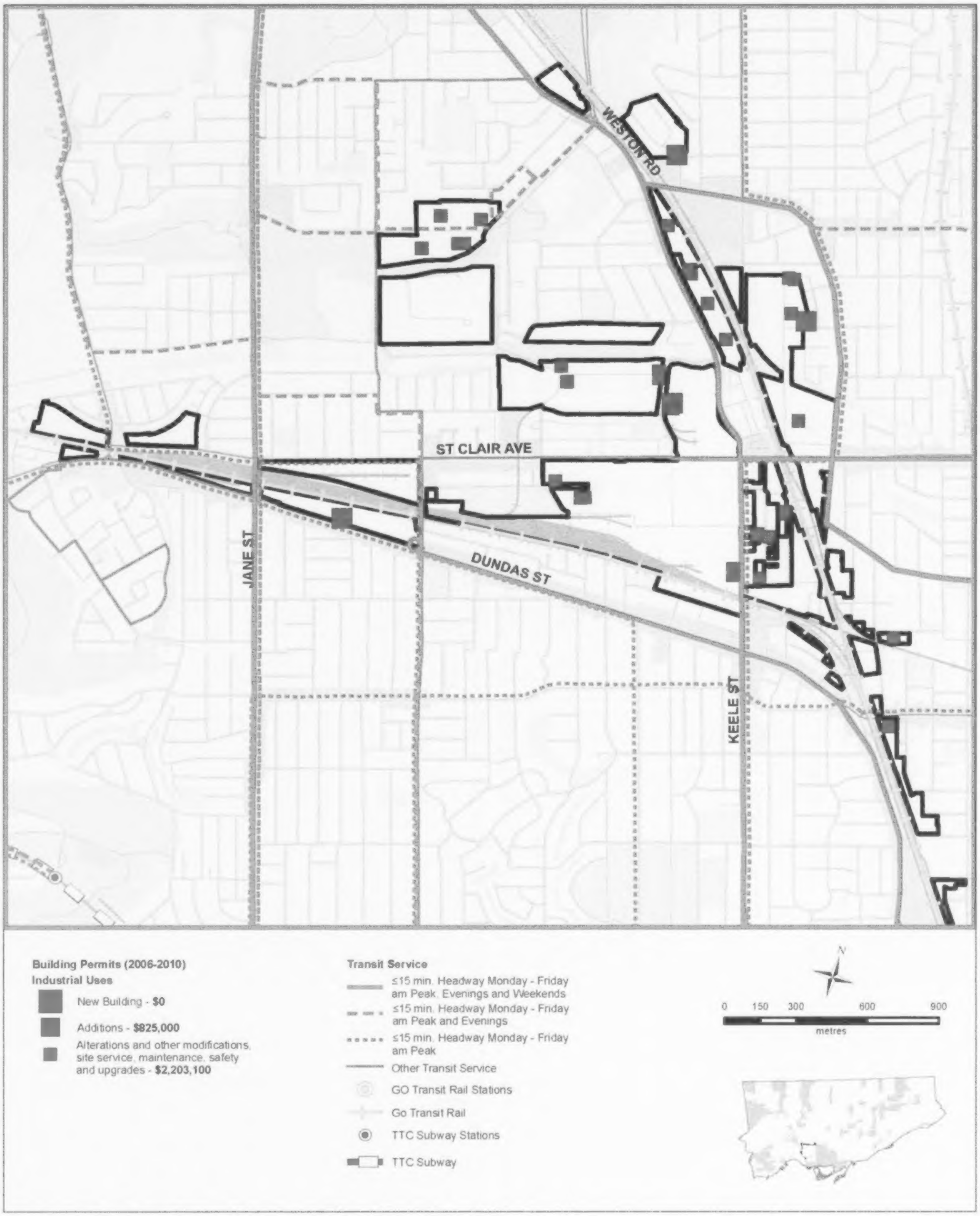
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.1.8: Extent and Character of the Junction Employment Cluster


WESTON RD
ST CLAIR AVE
JANE ST
DUNDAS ST
KEELE ST
Junction
N
0 150 300 600 900
metres

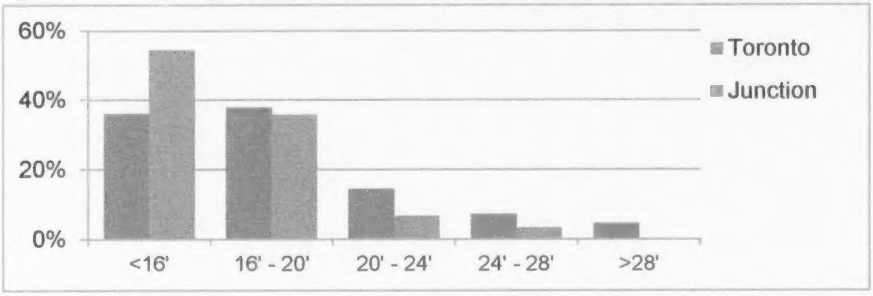
Source: 2012 Google Earth; © 2012 Digital Globe

Figure F.1.9: Industrial Re-investment and Transit Services in the Junction Employment Cluster


WESTON RD
ST CLAIR AVE
JANE ST
DUNDAS ST
KEELE ST
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $825,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $2,203,100
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 150 300 600 900
metres

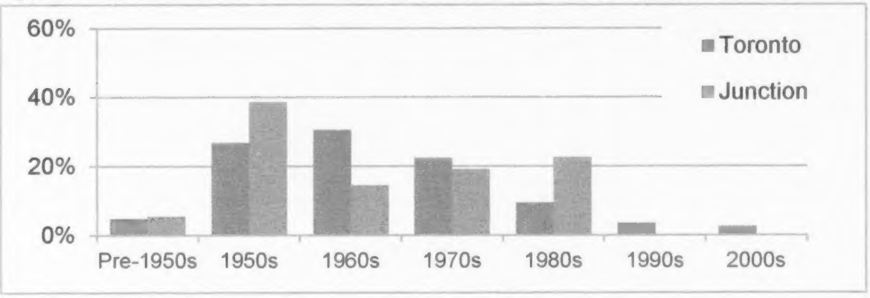
Source: City of Toronto. Toronto Employment Survey, 2011

Figure F.1.10: Ceiling Height for Industrial Space in the Junction Employment Cluster, 2011



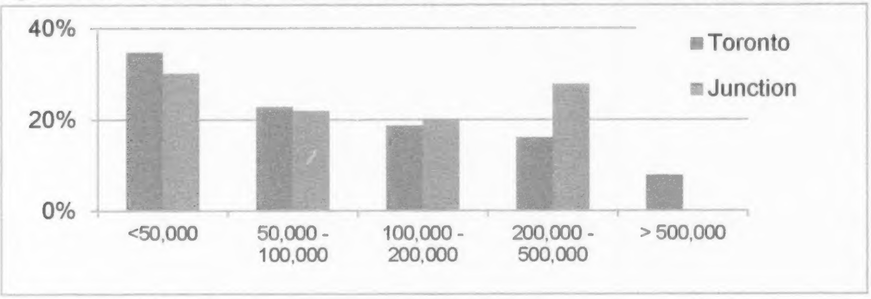
Source: C&W, 2011 Q4

Figure F.1.11: Built Year for Industrial Space in the Junction Employment Cluster, 2011



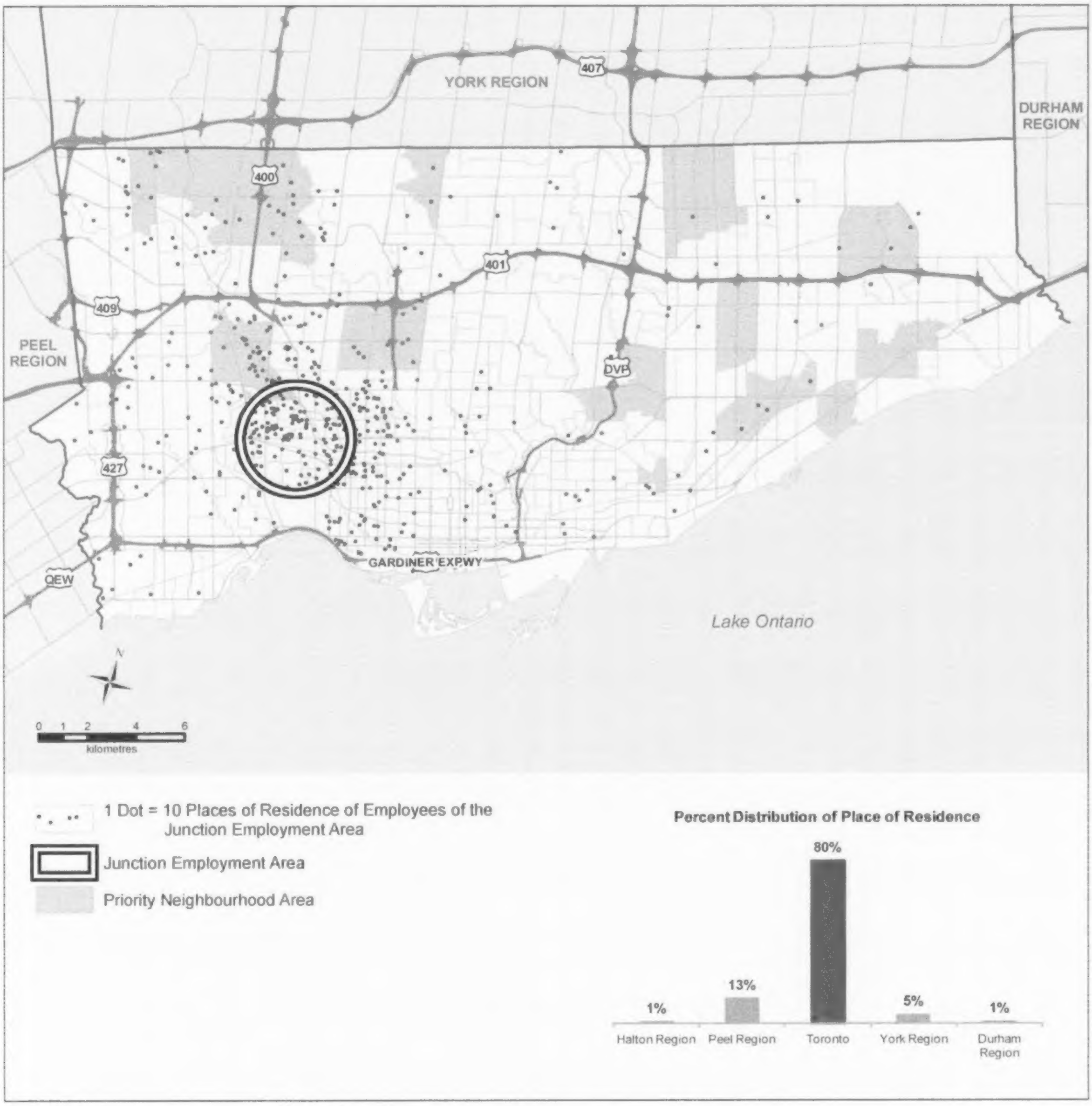
Source: C&W, 2011 Q4

Figure F.1.12: Building Size for Industrial Space in the Junction Employment Cluster, 2011



Source: C&W, 2011 Q4

Figure F.1.13: Distribution of Place of Residence for Employment in the Junction Employment Cluster, 2006


407
YORK REGION
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Junction Employment Area
Junction Employment Area
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
13%
80%
5%
1%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status - 2006

F.2 Lansdowne Ave. /Dupont St. /CPR Employment Cluster

Key Facts:

- ***The Lansdowne Ave./Dupont St./CPR Employment Cluster employed 6,645 people in 2011, a 11.0% increase from 2006 and a 7% increase from 2001;***
- ***It supported 0.5% of the City's employment in 2011, and 0.3% of its non-residential assessment;***
- ***This area had $8,022,000 in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in the Institutional (141%) and Service (25%) sectors, with a 21% decline in its Manufacturing and Warehouse employment, a 6% decline in Retail, and 1% decline in Office employment;***
- ***New establishment growth occurred in the Institutional sector, with a loss of Retail, Office and Service establishments. The area shows a high concentration of smaller establishments;***
- ***With a net occupied land base of 63.5 ha, there is 3.6 million sq. ft. of industrial building space with an average vacancy rate of 1.9% in 2011;***
- ***Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The area fronts on and is accessed via Dupont and Dundas Streets, and Lansdowne Avenue, with transit service on the arterials.***

Figure F.2.1: Profile Data for the Lansdowne Ave. /Dupont St. /CPR Employment Cluster, 2001, 2006 and 2011

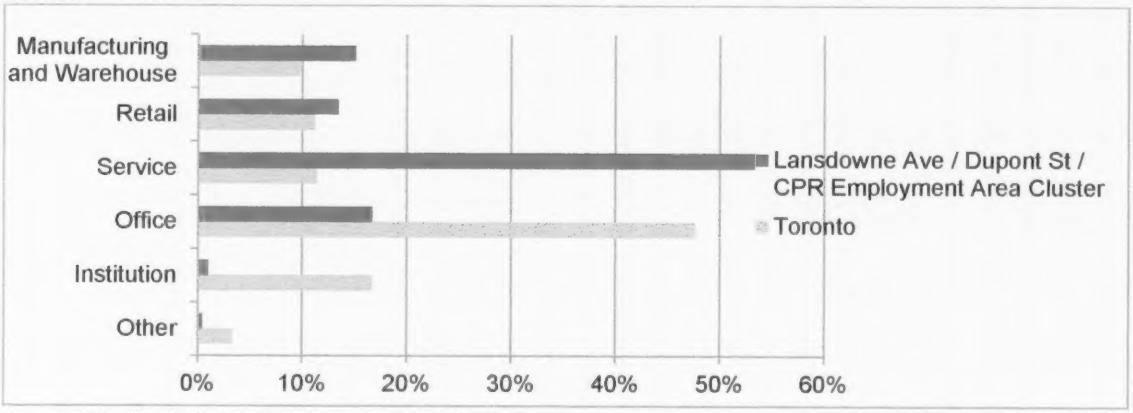
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	67.7	-	0.6%
Vacant Area (Ha)	-	-	4.2	-	0.5%
Vacant Area (% of Net)	-	-	7.1%	-	-
Employment (Total PT & FT)	6,208	5,984	6,645	7.0%	0.5%
No. of Establishments	390	420	404	3.6%	0.5%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	85%, 8%, 4%, 2%, 2%	85%, 9%, 3%, 2%, 1%	85%, 9%, 4%, 1%, 1%	-	-
Industrial Inventory (sq.ft)	-	-	3,635,230	-	1.4%
Industrial Vacancy Rate	-	-	1.9%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$7.86	-	-
Total Non Res. Assessment ($)	$89,736,003	-	$240,826,784	0.7x	0.3%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

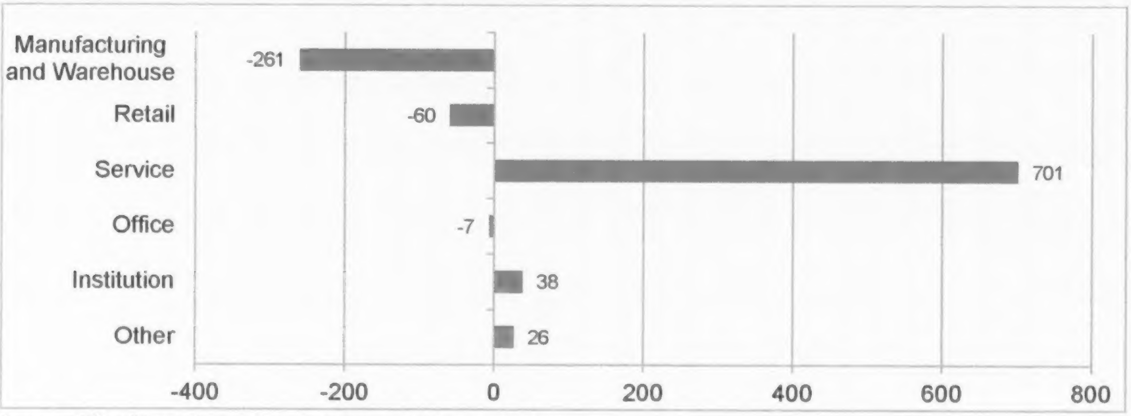
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure F.2.2: Employment Structure (% Distribution) in the Lansdowne Ave. /Dupont St. /CPR Employment Cluster by Major Sector, 2011



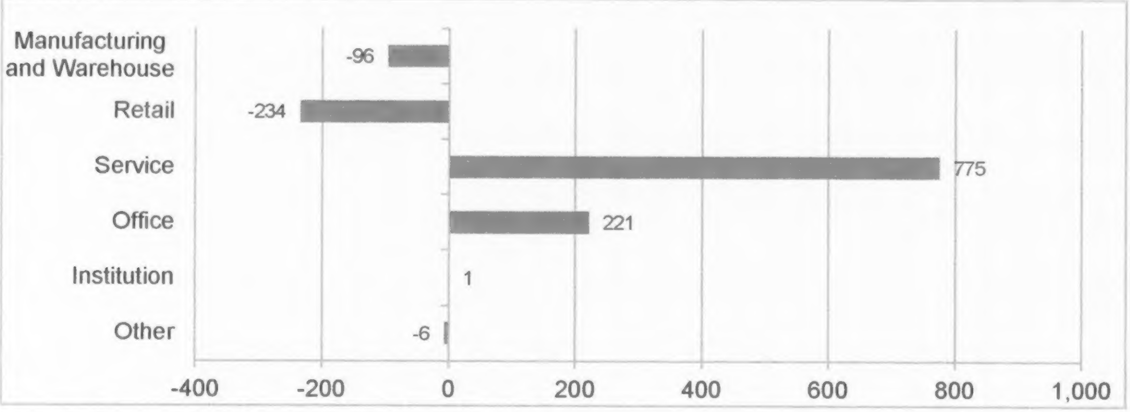
Source: City of Toronto Employment Survey, 2011

Figure F.2.3: Employment Growth in the Lansdowne Ave./Dupont St./CPR Employment Cluster by Major Sector, 2001 to 2011



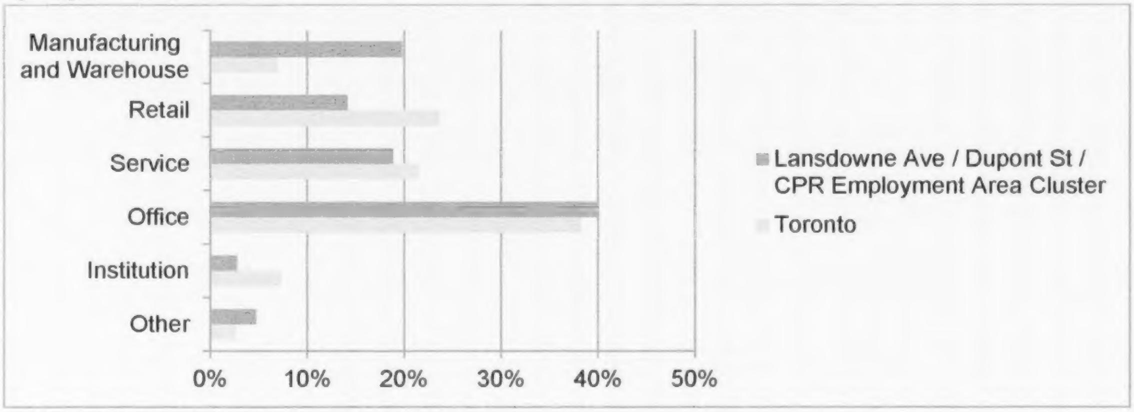
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.2.4: Employment Growth in the Lansdowne Ave./Dupont St./CPR Employment Cluster by Major Sector, 2006 to 2011



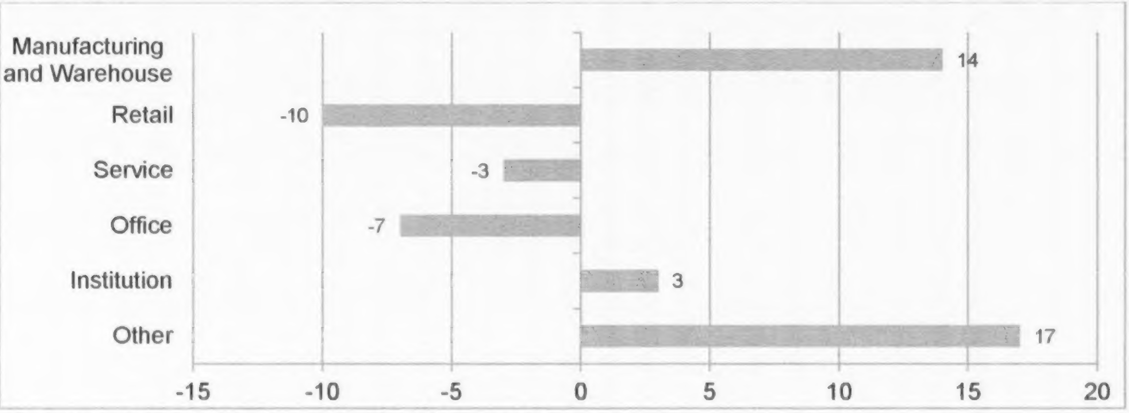
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.2.5: Establishment Structure (% Distribution) in the Lansdowne Ave. /Dupont St. /CPR Employment Cluster by Major Sector, 2011



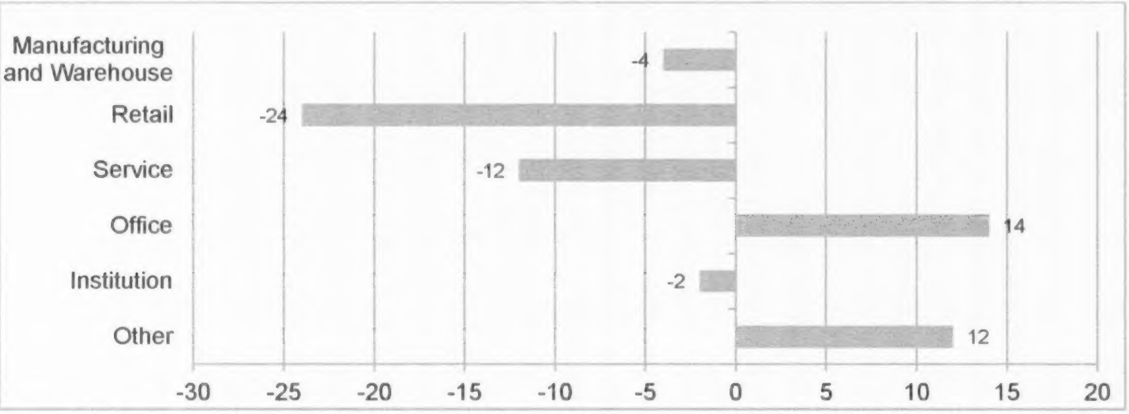
Source: City of Toronto Employment Survey, 2011

Figure F.2.6: Establishment Growth in the Lansdowne Ave./Dupont St./CPR Employment Cluster by Major Sector, 2001 to 2011



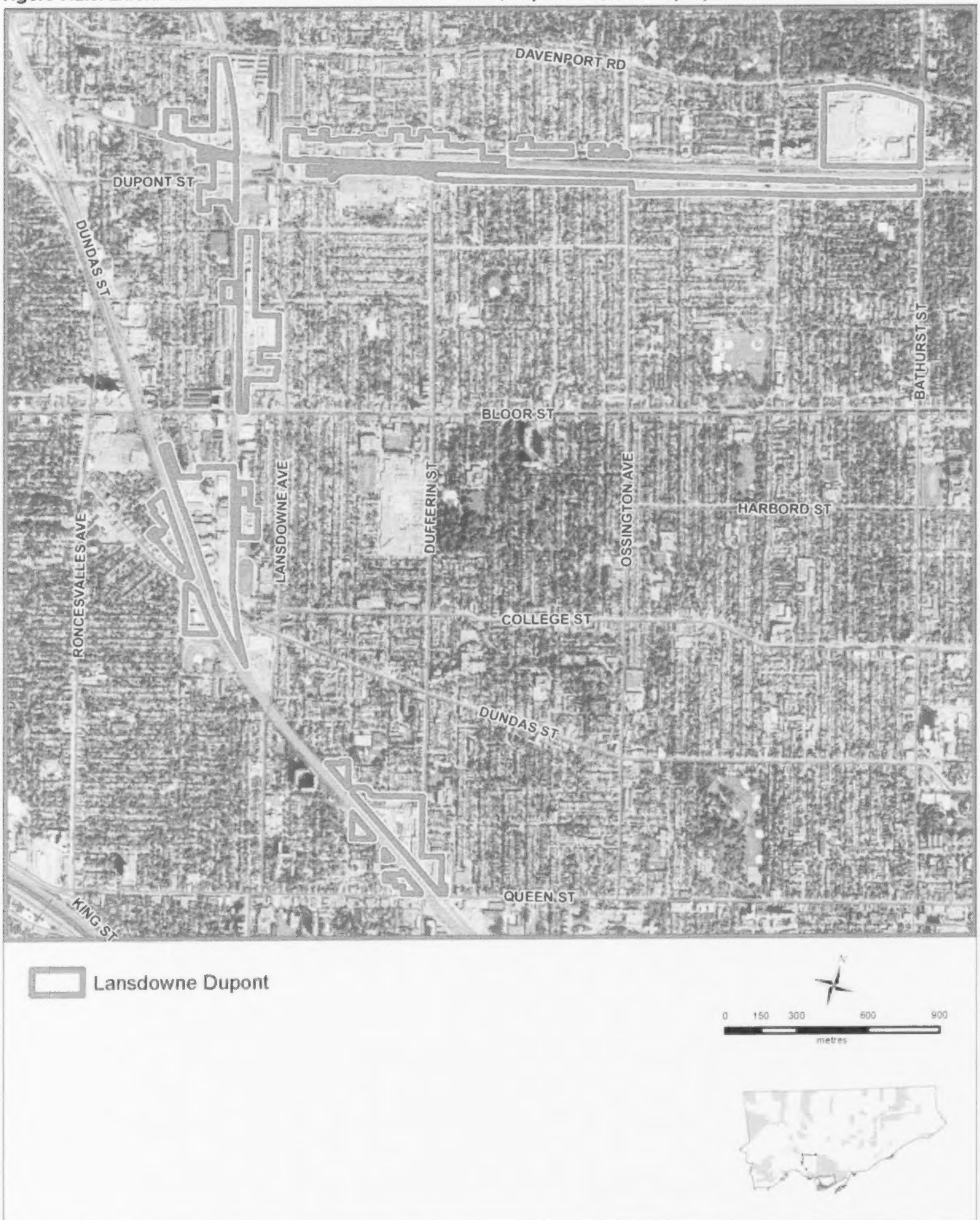
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.2.7: Establishment Growth in the Lansdowne Ave./Dupont St./CPR Employment Cluster by Major Sector, 2006 to 2011



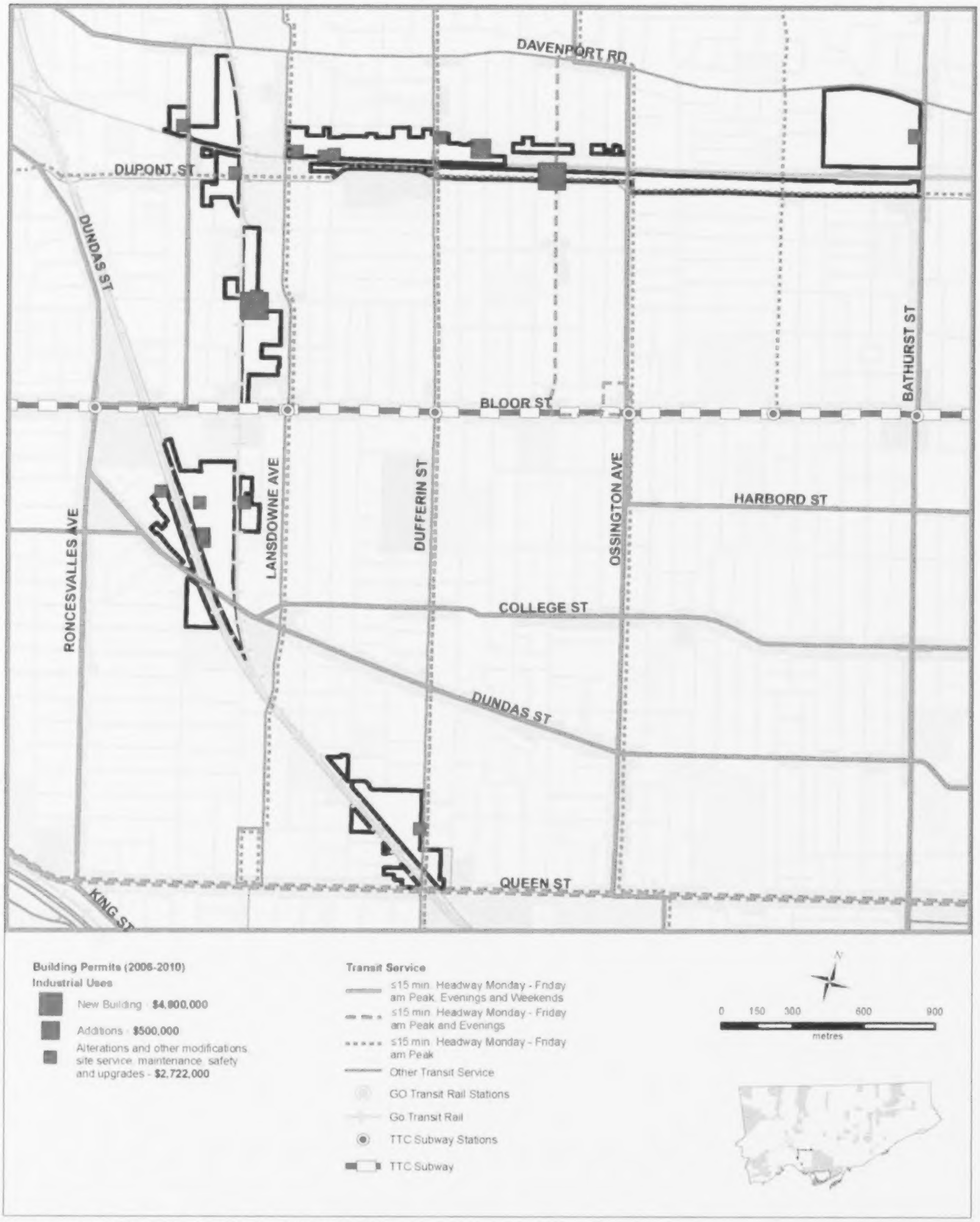
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.2.8: Extent and Character of the Lansdowne Ave. /Dupont St. /CPR Employment Cluster


DAVENPORT RD
DUPONT ST
DUNDAS ST
BATHURST ST
BLOOR ST
LANSDOWNE AVE
DUFFERIN ST
OSSINGTON AVE
HARBORD ST
RONCESVALLES AVE
COLLEGE ST
DUNDAS ST
QUEEN ST
KING ST
Lansdowne Dupont
N
0
150
300
600
900
metres

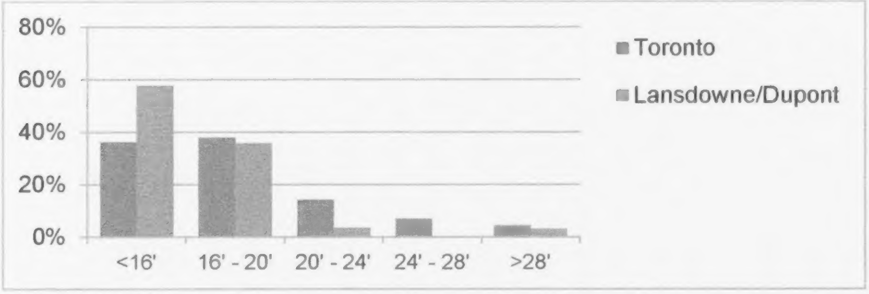
Source: 2012 Google Earth; © 2012 Digital Globe

Figure F.2.9: Industrial Re-investment and Transit Services in the Lansdowne Ave. /Dupont St. /CPR Employment Cluster


DAVENPORT RD
DUPONT ST
DUNDAS ST
BLOOR ST
BATHURST ST
LANSDOWNE AVE
DUFFERIN ST
OSSINGTON AVE
HARBORD ST
RONCESVALLES AVE
COLLEGE ST
DUNDAS ST
QUEEN ST
KING ST
Building Permits (2006-2010)
Industrial Uses
New Building - $4,800,000
Additions - $500,000
Alterations and other modifications site service maintenance safety and upgrades - $2,722,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 150 300 600 900
metres

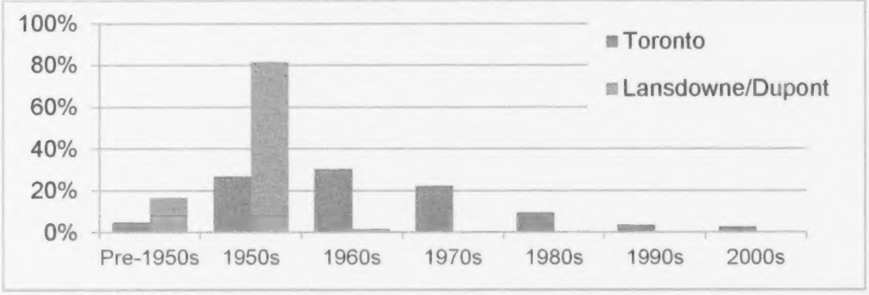
Source: City of Toronto. Toronto Transit Commission.

Figure F.2.10: Ceiling Height for Industrial Space in the Lansdowne Ave. /Dupont St. /CPR Employment Cluster, 2011



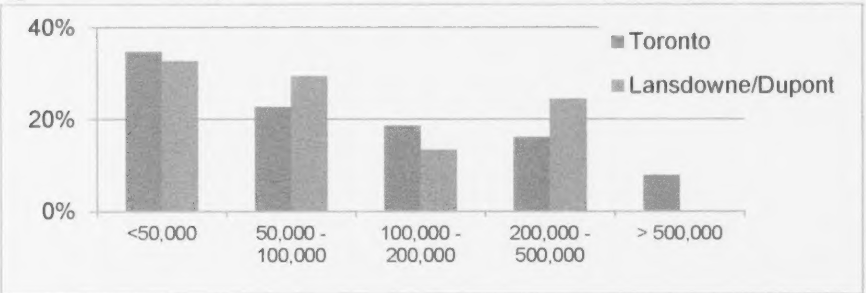
Source: C&W, 2011 Q4

Figure F.2.11: Built Year for Industrial Space in the Lansdowne Ave. /Dupont St. /CPR Employment Cluster, 2011



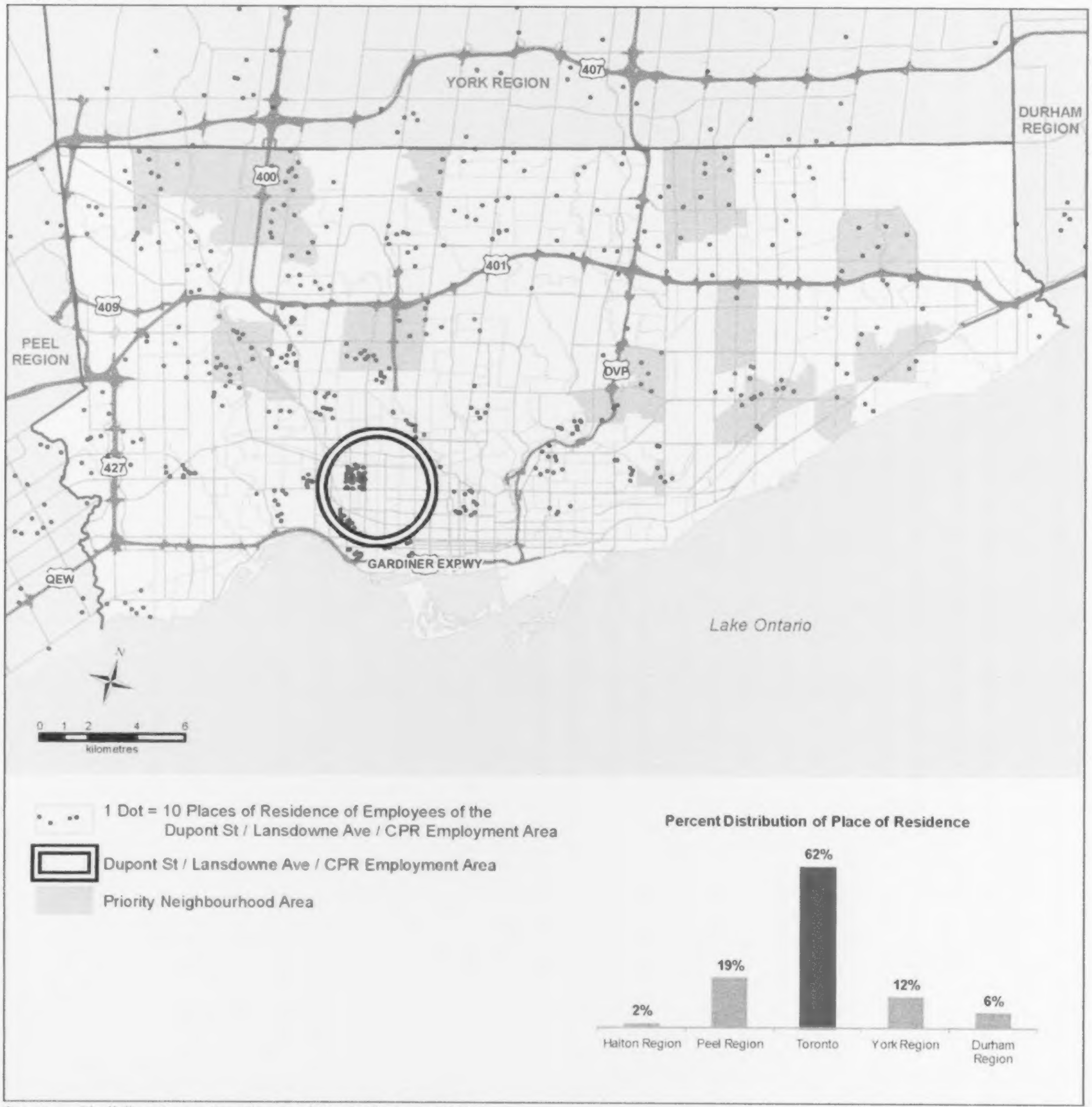
Source: C&W, 2011 Q4

Figure F.2.12: Building Size for Industrial in the Lansdowne Ave. /Dupont St. /CPR Employment Cluster, 2011



Source: C&W, 2011 Q4

Figure F.2.13: Distribution of Place of Residence for Employment in the Lansdowne Ave. /Dupont St. /CPR Employment Cluster, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Dupont St / Lansdowne Ave / CPR Employment Area
Dupont St / Lansdowne Ave / CPR Employment Area
Priority Neighbourhood Area
Percent Distribution of Place of Residence
2%
19%
62%
12%
6%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: Statistics Canada, Place of Work Status - 2006

F.3 Danforth Rd. / CNR Employment Cluster

Key Facts:

- ***The Danforth Rd. / CNR Employment Cluster employed 3,378 people in 2011, a 3.2% decline from 2006 and a 40.1% decline from 2001;***
- ***It supported less than 1% of the City's employment in 2011, and 0. % of its non-residential assessment;***
- ***The area had $1,700,360 in industrial building permit values between 2006 and 2010;***
- ***Employment growth (2001 – 2011) occurred in the Institution (111%) and Service (11%) sectors, with a 52% decline in its manufacturing employment, 10% decline in Retail, and 56% decline in office employment;***
- ***New establishment growth occurred in the Service sector, with a loss of Retail and Office establishments;***
- ***With a net occupied land base of 92.9 ha, there is 2.9 million sq. ft. of industrial building space with an average vacancy rate of 5.0% in 2011;***
- ***Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet;***
- ***The area fronts on and is accessed via a number of arterials including Danforth Road, St. Clair Ave., Birchmount, Kennedy and Brimley Roads and Midland Ave., with transit service along the arterials, at the GO station at St. Clair and the Bloor subway to the north.***

Figure F.3.1: Profile Data for the Danforth Rd. / CNR Employment Cluster, 2001, 2006 and 2011

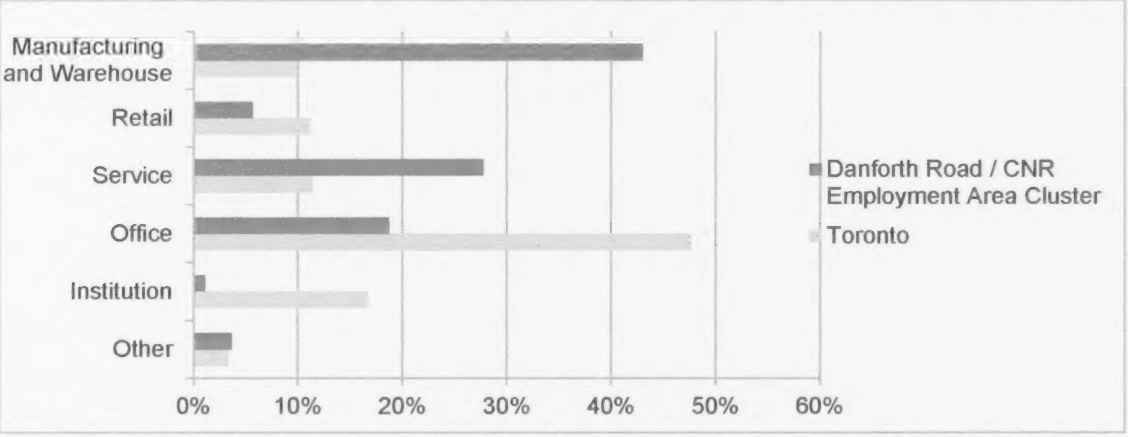
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	96.8	-	0.9%
Vacant Area (Ha)	-	-	3.9	-	0.4%
Vacant Area (% of Net)	-	-	4.1%	-	-
Employment (Total PT & FT)	5,636	3,489	3,378	-40.1%	0.3%
No. of Establishments	240	242	243	1.3%	0.3%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	71%, 18%, 5%, 3%, 3%	82%, 10%, 5%, 2%, 1%	80%, 9%, 7%, 1%, 2%	-	-
Industrial Inventory (sq.ft)	-	-	2,854,263	-	1.1%
Industrial Vacancy Rate	-	-	5.0%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.23	-	-
Total Non Res. Assessment ($)	$71,325,870	-	$186,174,398	0.6x	0.2%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

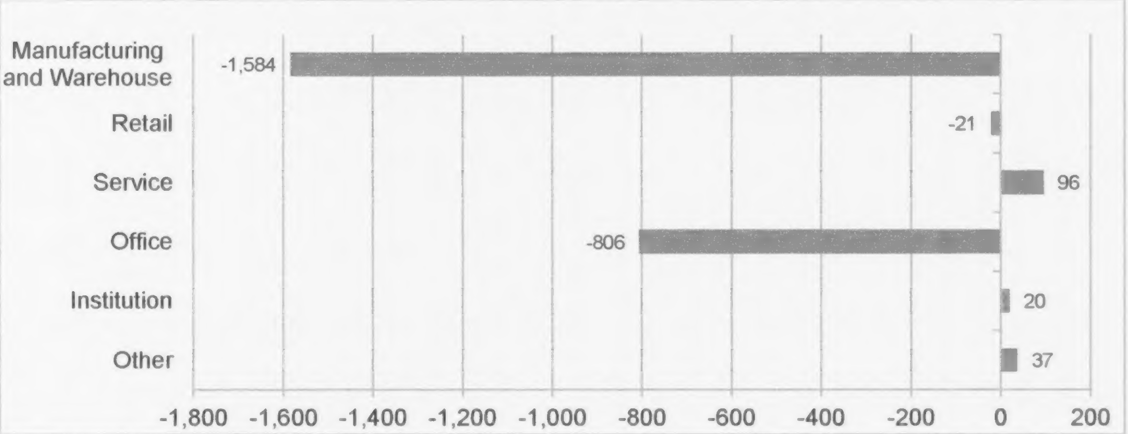
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure F.3.2: Employment Structure (% Distribution) in Danforth Rd./CNR Employment Cluster by Major Sector, 2011



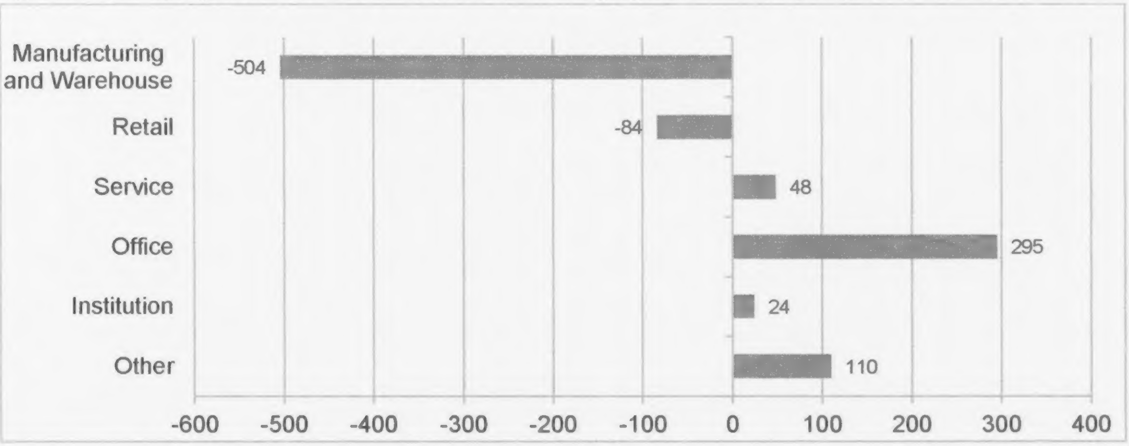
Source: City of Toronto Employment Survey, 2011

Figure F.3.3: Employment Growth in Danforth Rd./CNR Employment Cluster by Major Sector, 2001 to 2011



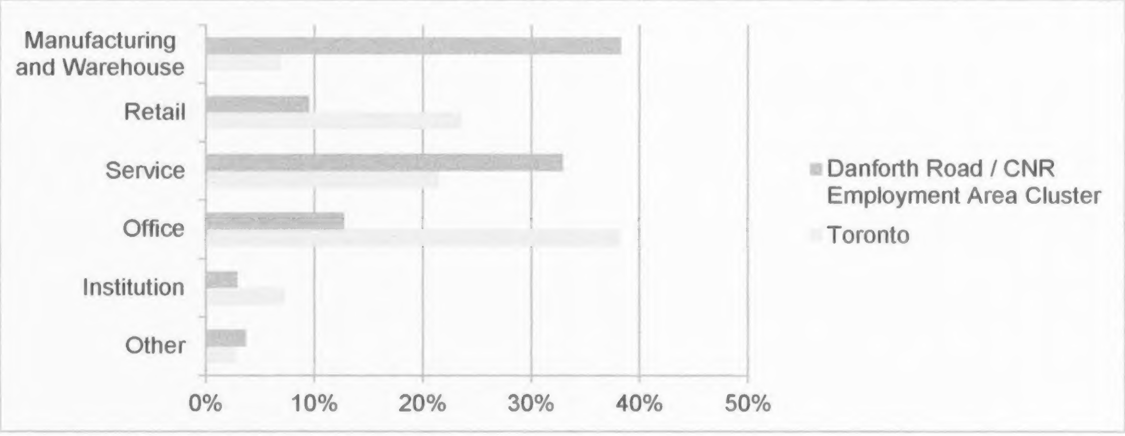
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.3.4: Employment Growth in Danforth Rd./CNR Employment Cluster by Major Sector, 2006 to 2011



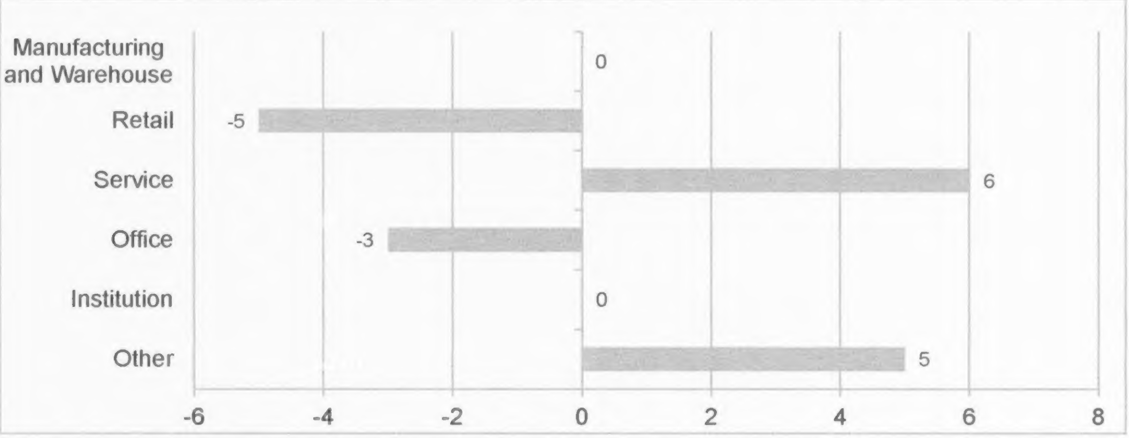
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.3.5: Establishment Structure in the Danforth Rd./CNR Employment Cluster by Major Sector, 2011



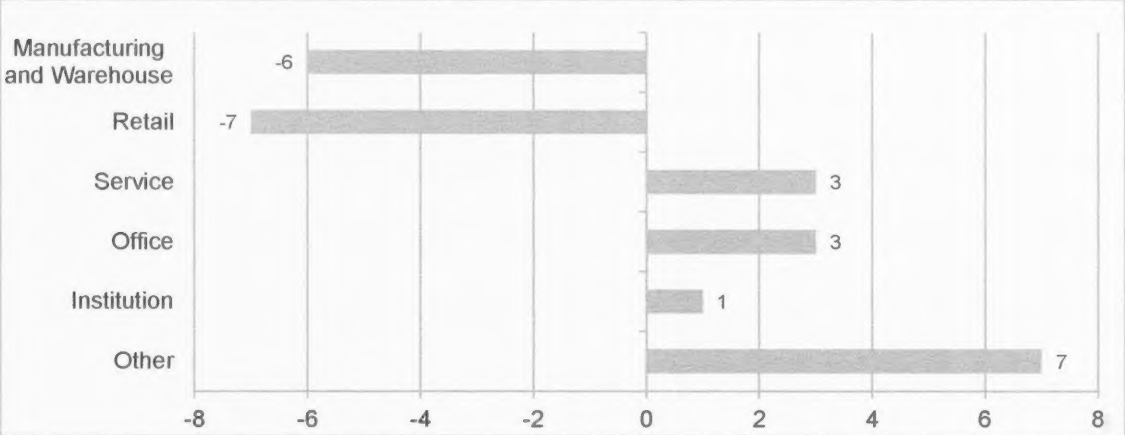
Source: City of Toronto Employment Survey, 2011

Figure F.3.6: Establishment Growth in the Danforth Rd./CNR Employment Cluster by Major Sector, 2001 to 2011



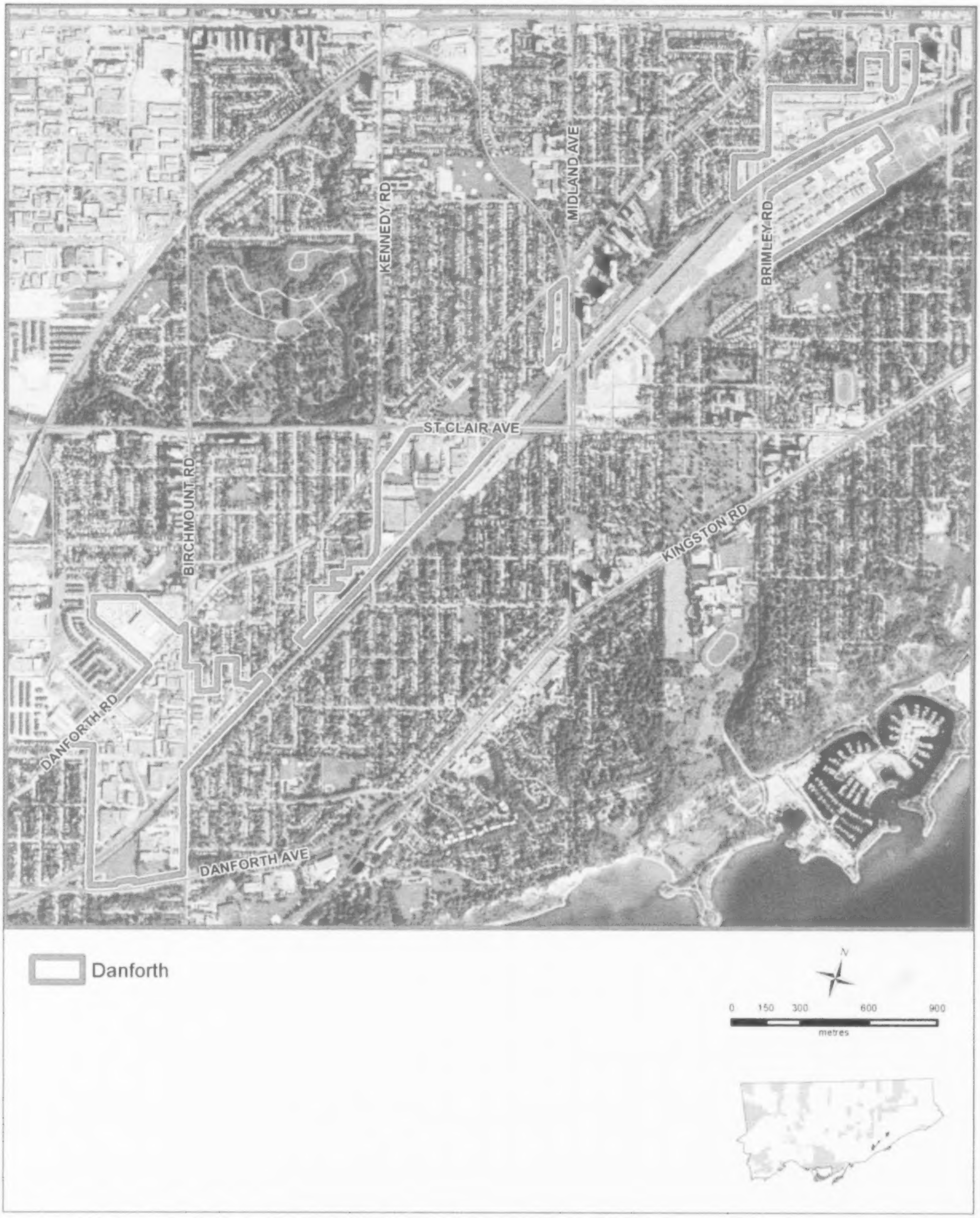
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.3.7: Establishment Growth in the Danforth Rd./CNR Employment Cluster by Major Sector, 2006 to 2011



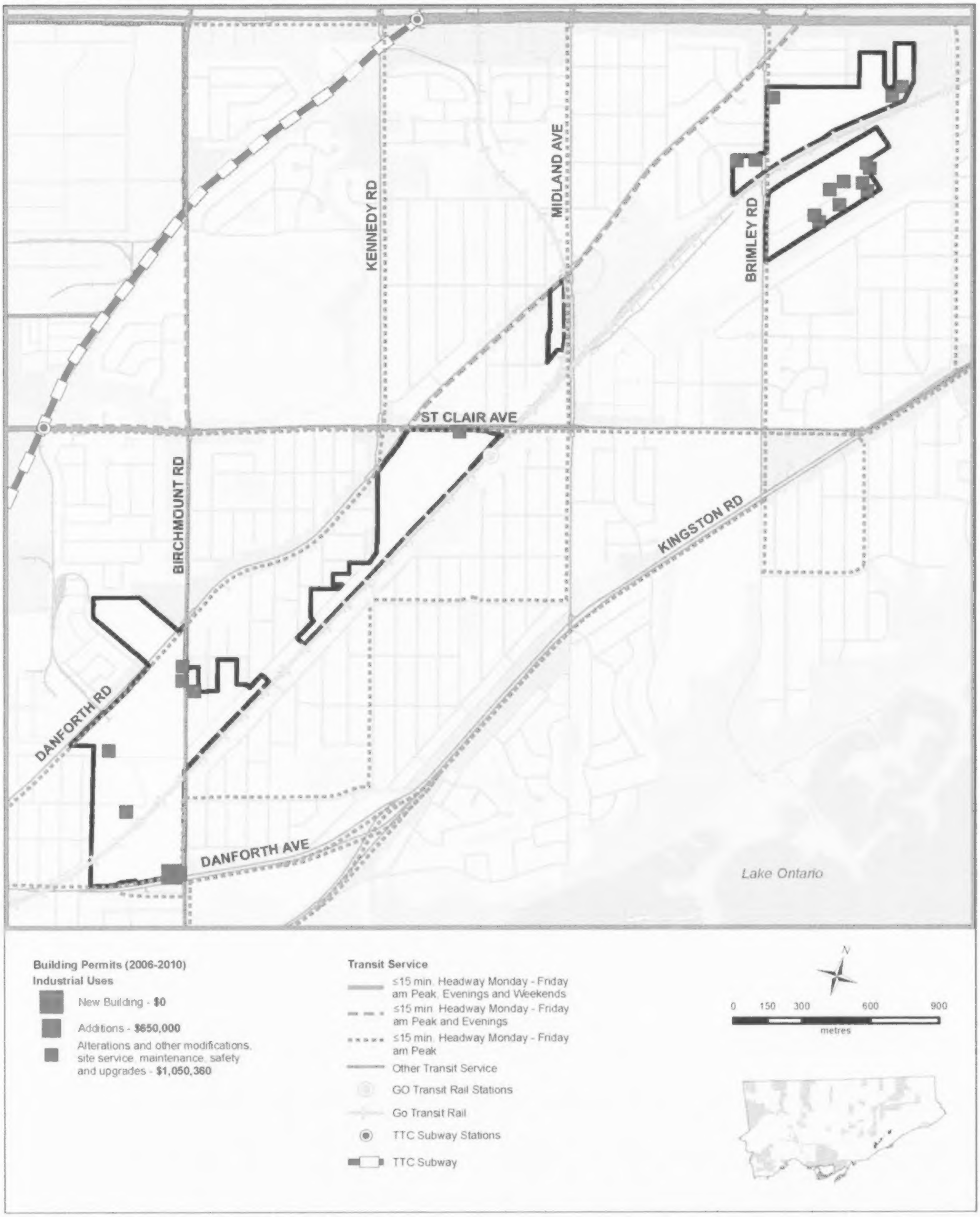
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.3.8: Extent and Character of the Danforth Rd. / CNR Employment Cluster


KENNEDY RD
MIDLAND AVE
BRIMLEY RD
ST CLAIR AVE
BIRCHMOUNT RD
KINGSTON RD
DANFORTH RD
DANFORTH AVE
Danforth
N
0
150
300
600
900
metres

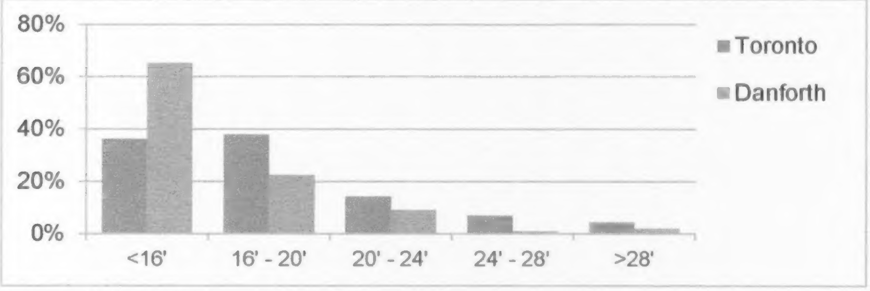
Source: 2012 Google Earth; © 2012 TeraMetrics; © 2012 Digital Globe; NOAA

Figure F.3.9: Industrial Re-investment and Transit Services in the Danforth Rd. / CNR Employment Cluster


KENNEDY RD
MIDLAND AVE
BRIMLEY RD
ST CLAIR AVE
BIRCHMOUNT RD
KINGSTON RD
DANFORTH RD
DANFORTH AVE
Lake Ontario
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $650,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $1,050,360
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 150 300 600 900
metres

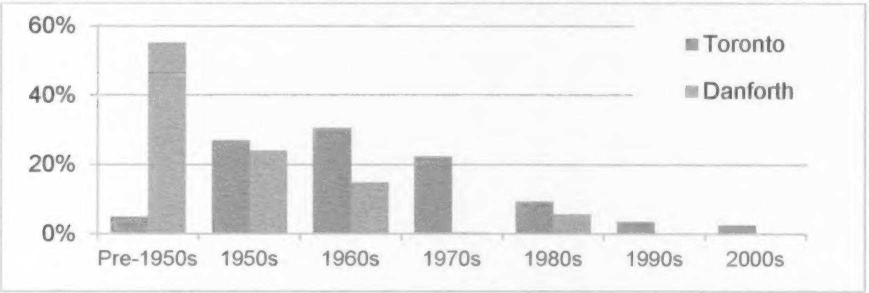
Source: City of Toronto. Toronto Transit Commission.

Figure F.3.10: Ceiling Height for Industrial Space in the Danforth Rd. / CNR Employment Cluster, 2011



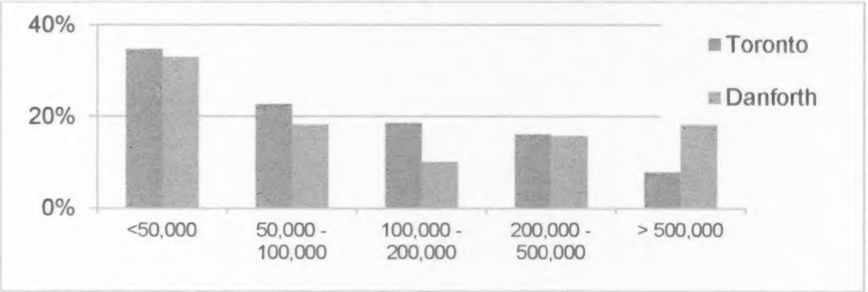
Source: C&W, 2011 Q4

Figure F.3.11: Built Year for Industrial Space in the Danforth Rd. / CNR Employment Cluster, 2011



Source: C&W, 2011 Q4

Figure F.3.12: Building Size for Industrial Space in the Danforth Rd. / CNR Employment Cluster, 2011



Source: C&W, 2011 Q4

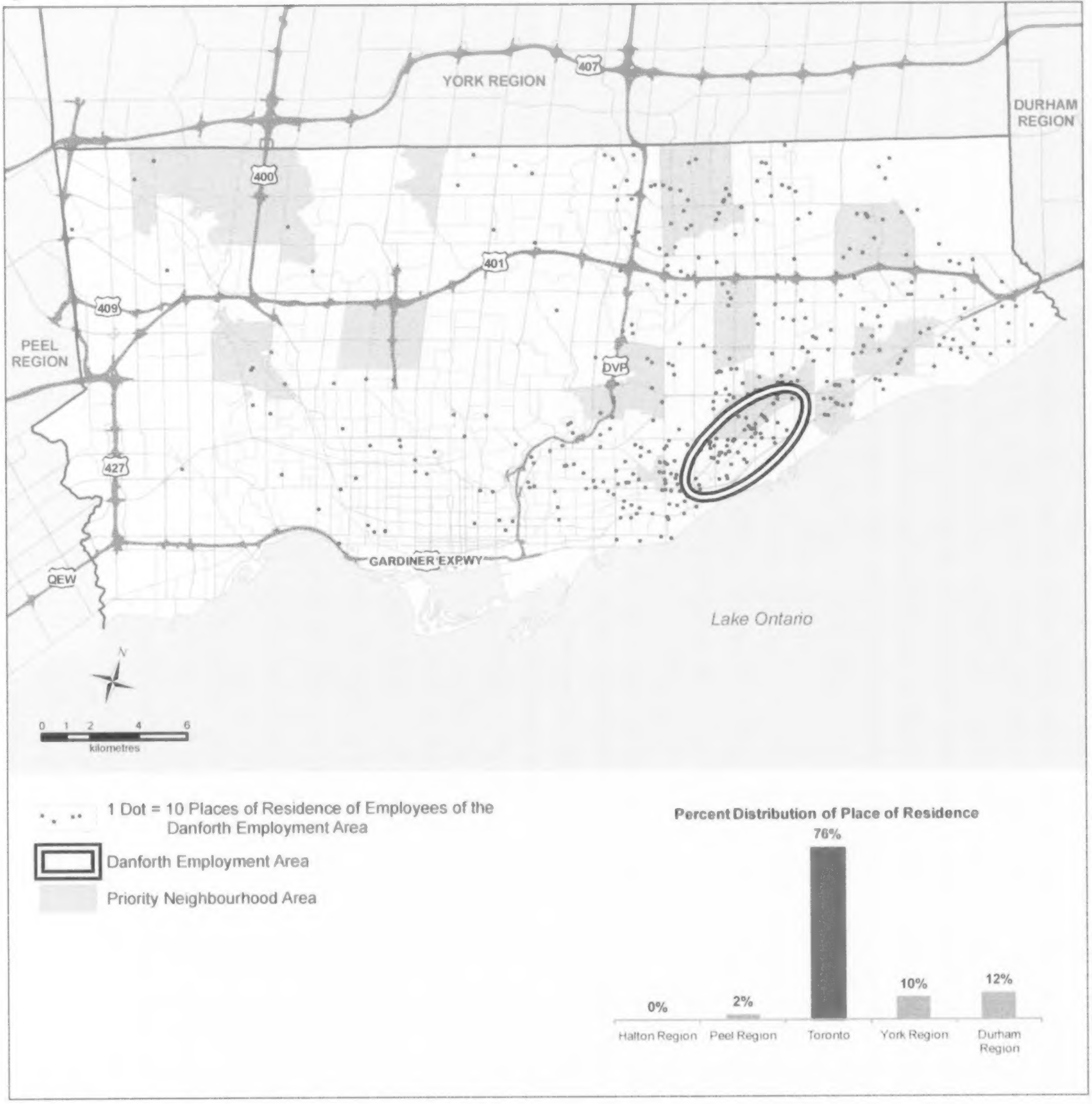

YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Danforth Employment Area
Danforth Employment Area
Priority Neighbourhood Area
Percent Distribution of Place of Residence
0%
2%
76%
10%
12%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Figure F.3.13: Distribution of Place of Residence for Employment in Danforth Rd. / CNR Employment Cluster, 2006

Source: *Statistics Canada, Place of Work Status – 2006 Census*

F.4 Railside & Carnforth Rd Employment Cluster

Key Facts:

- *The Railside & Carnforth Rd Employment Cluster employed 3,254 people in 2011, a 4% increase from 2006 and an 11.3% increase from 2001;*
- *It supported less than 1% of the City's employment in 2011, and 0.2% of its non-residential assessment;*
- *The area had $2,173,600 in industrial building permit values between 2006 and 2010;*
- *Employment growth (2001 – 2011) occurred in the Institutional (179%), Service (47%), Office (16%), and Manufacturing and Warehouse (5%) sectors, with a 33% decline in its Retail employment;*
- *New establishment growth occurred in the Institutional, Office, and Service sectors, with a loss of Retail and Manufacturing establishments;*
- *With a net occupied land base of 52.5 ha, there is 2 million sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;*
- *Most built industrial space dates to the 1960's, concentrated in buildings with clear ceiling heights less than 16 feet and between 16 and 20 feet;*
- *The area is accessed from Lawrence Avenue, just east of the DVP. Bus transit service is available on Lansdowne Avenue.*

Figure F.4.1: Profile Data for the Railside & Carnforth Rd Employment Cluster, 2001, 2006 and 2011

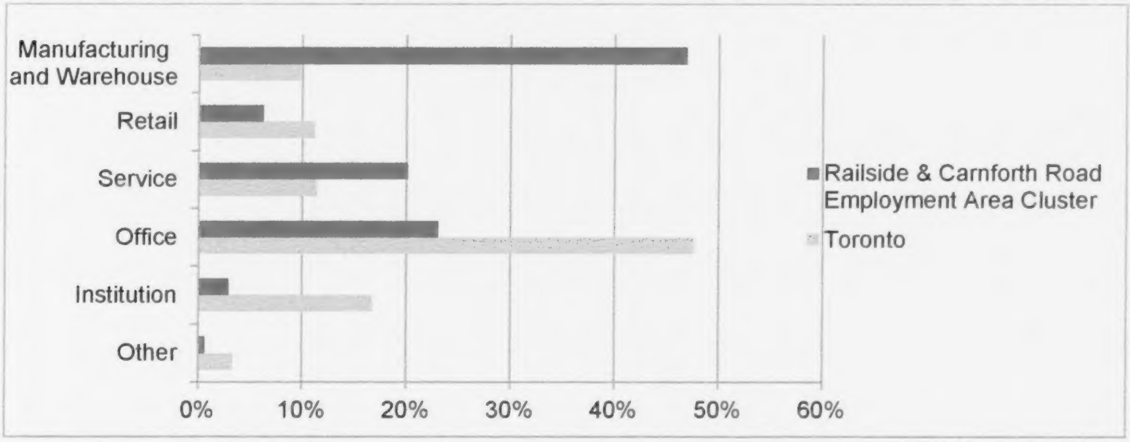
Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	53.4	-	0.5%
Vacant Area (Ha)	-	-	0.9	-	0.1%
Vacant Area (% of Net)	-	-	1.7%	-	-
Employment (Total PT & FT)	2,923	3,129	3,254	11.3%	0.2%
No. of Establishments	181	179	188	5.0%	0.3%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	71%, 15%, 6%, 6%, 2%	71%, 14%, 9%, 2%, 5%	73%, 15%, 7%, 2%, 4%	-	-
Industrial Inventory (sq.ft)	-	-	1,962,766	-	0.7%
Industrial Vacancy Rate	-	-	3.5%	-	-
Industrial Rental Rate ($/sq.ft.)	-	-	$4.24	-	-
Total Non Res. Assessment ($)	$81,014,640	-	$183,441,679	0.5x	0.2%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

Note : Industrial vacancy and rental rate data is provided at the level of the pre-amalgamation municipality (e.g., former City of Toronto, Scarborough, North York, etc.).

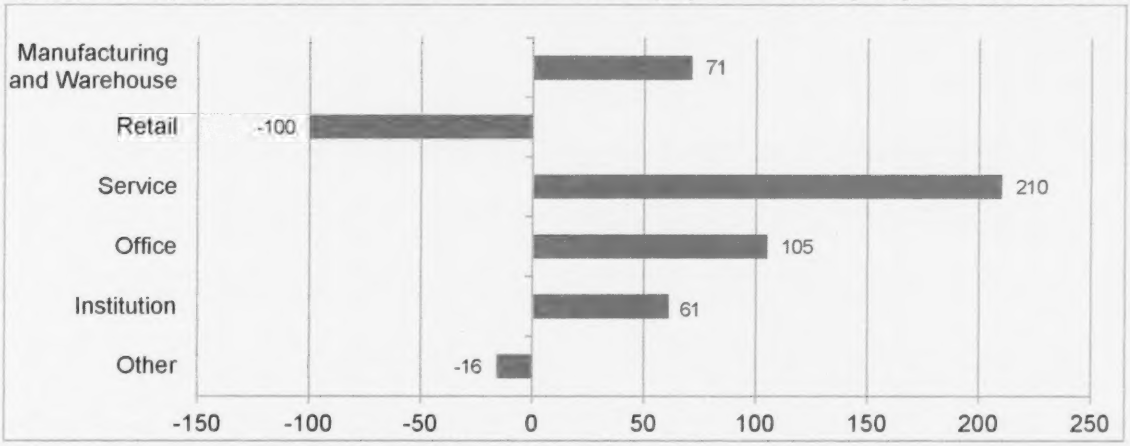
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure F.4.2: Employment Structure (%) in Railside & Carnforth Rd Employment Cluster by Major Sector, 2011



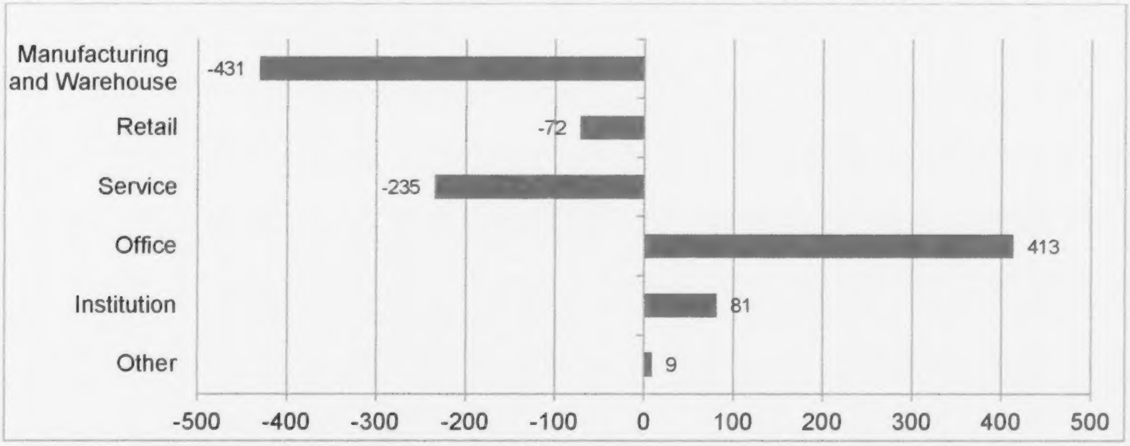
Source: City of Toronto Employment Survey, 2011

Figure F.4.3: Employment Growth in Railside & Carnforth Rd Employment Cluster by Major Sector, 2001 to 2011



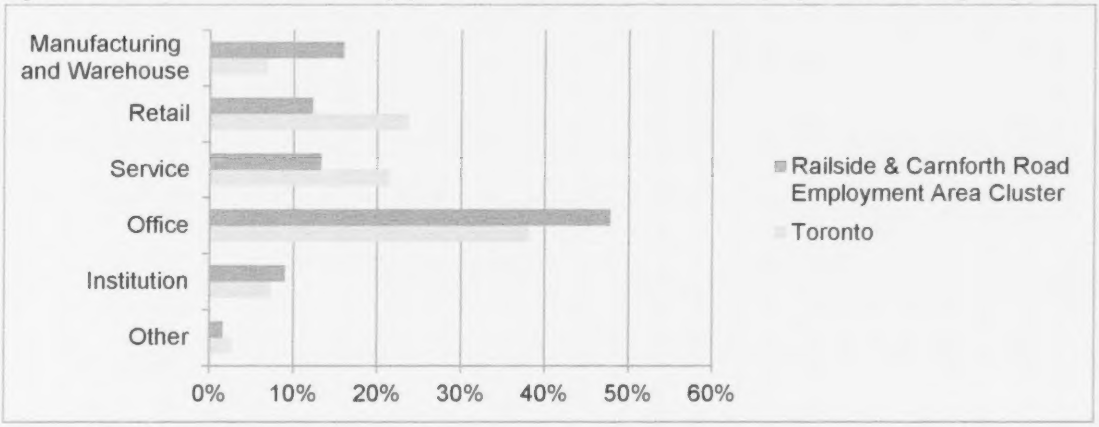
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.4.4: Employment Growth in Railside & Carnforth Rd Employment Cluster by Major Sector, 2006 to 2011



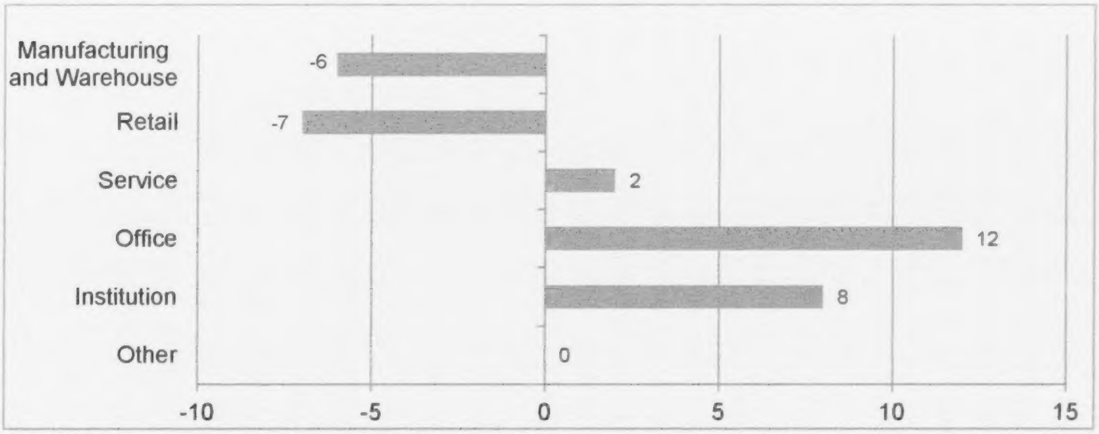
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.4.5: Establishment Structure (%) in the Railside & Carnforth Rd Employment Cluster by Major Sector, 2011



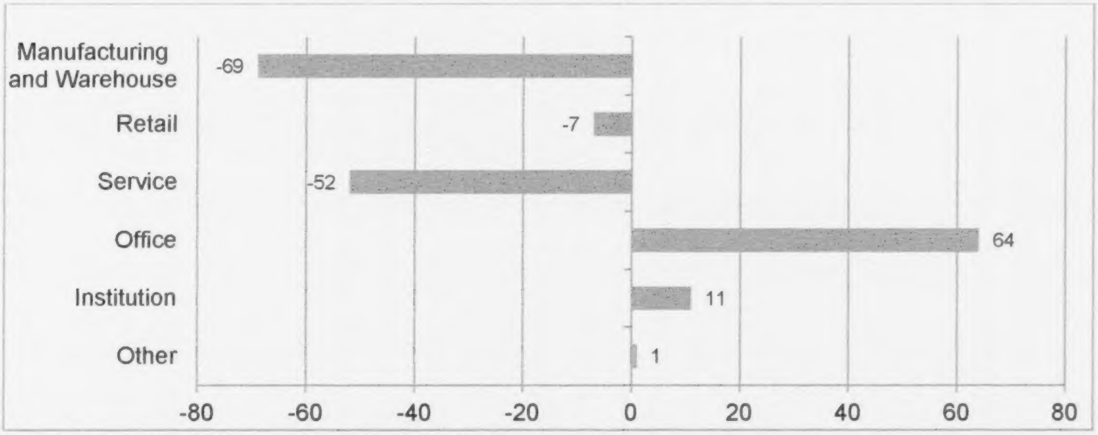
Source: City of Toronto Employment Survey, 2011

Figure F.4.6: Establishment Growth in the Railside & Carnforth Rd Employment Cluster by Major Sector, 2001 to 2011



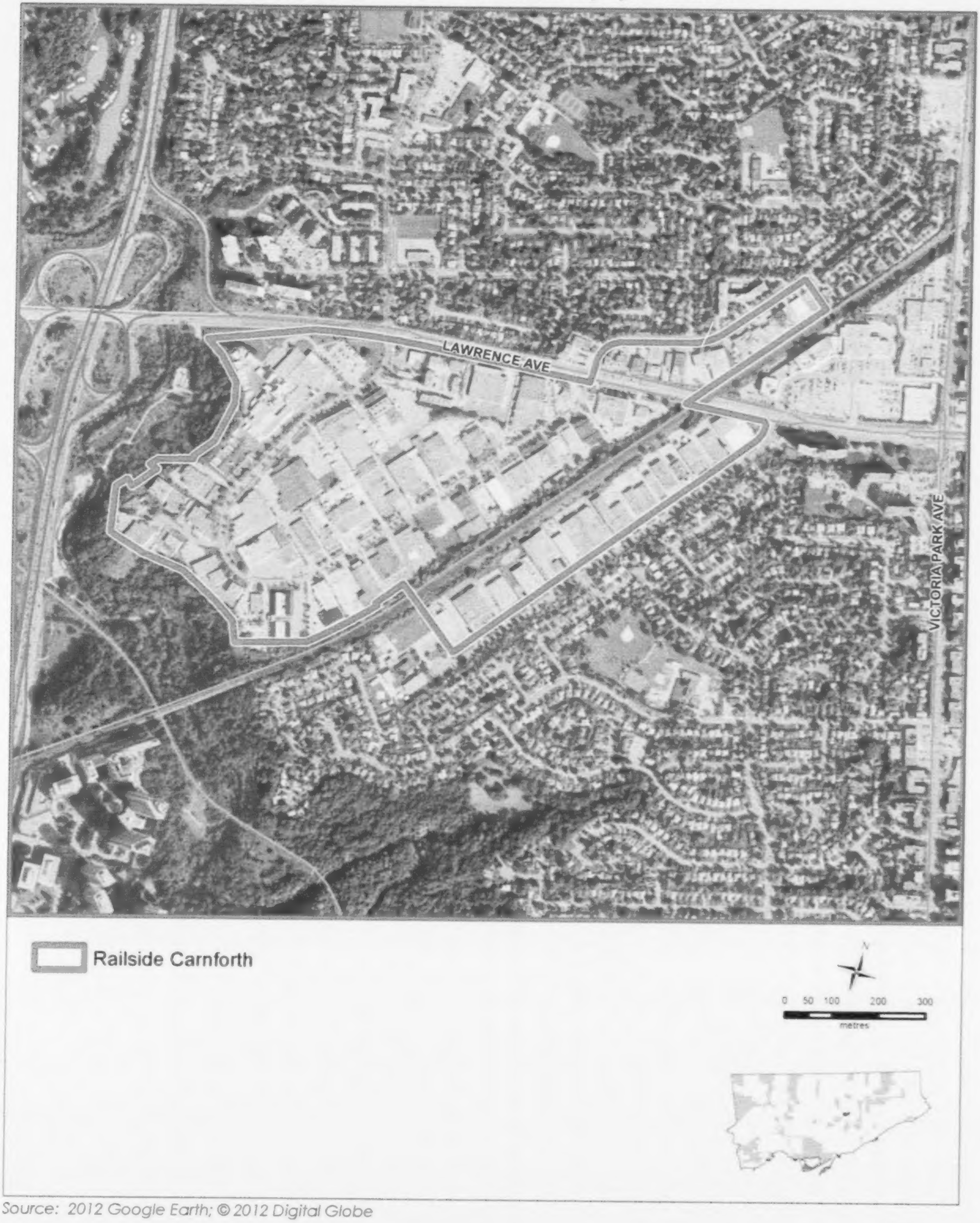
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.4.7: Establishment Growth in the Railside & Carnforth Rd Employment Cluster by Major Sector, 2006 to 2011



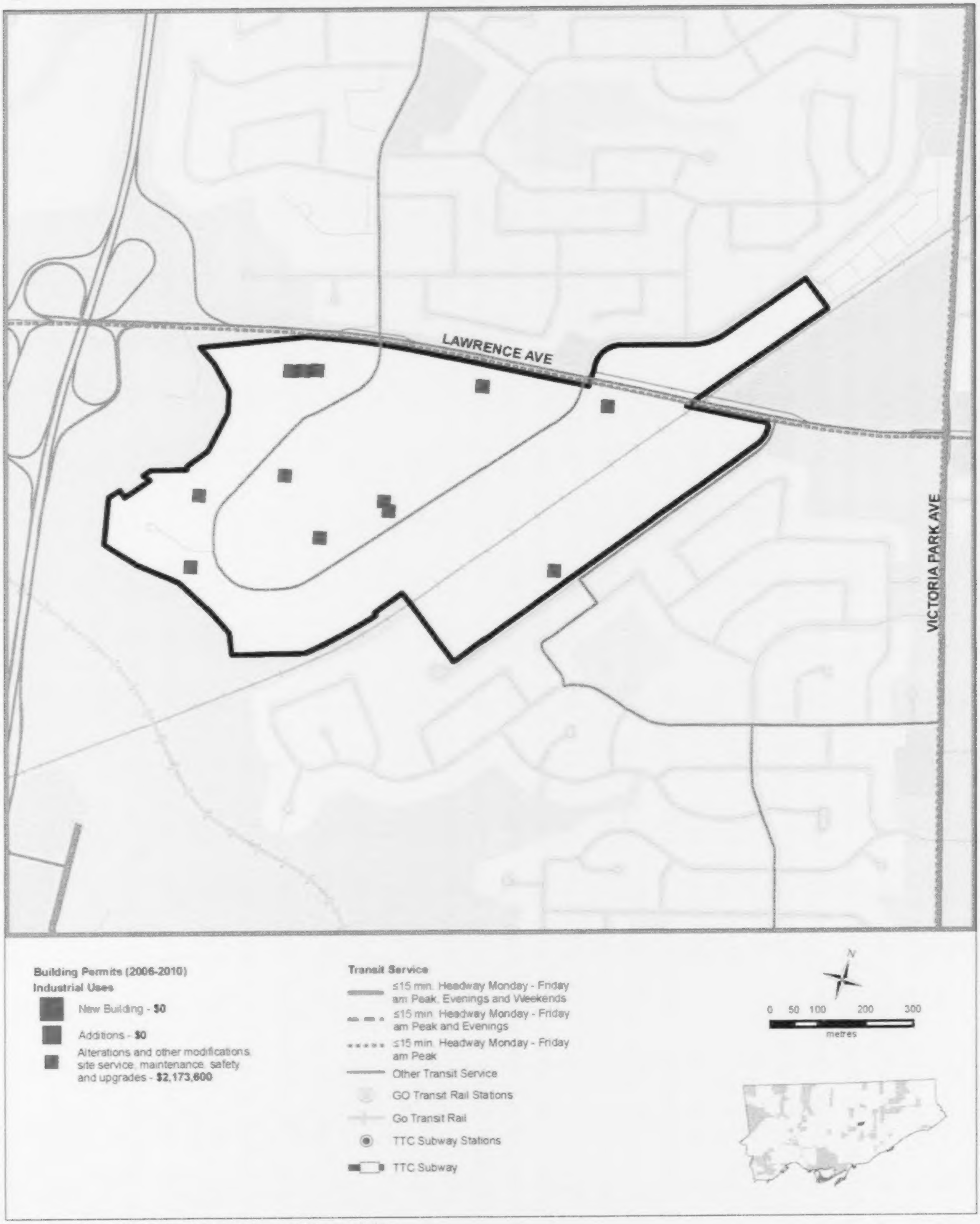
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.4.8: Extent and Character of the Railside & Carnforth Rd Employment Cluster


LAWRENCE AVE
VICTORIA PARK AVE
Railside Carnforth
N
0 50 100 200 300
metres

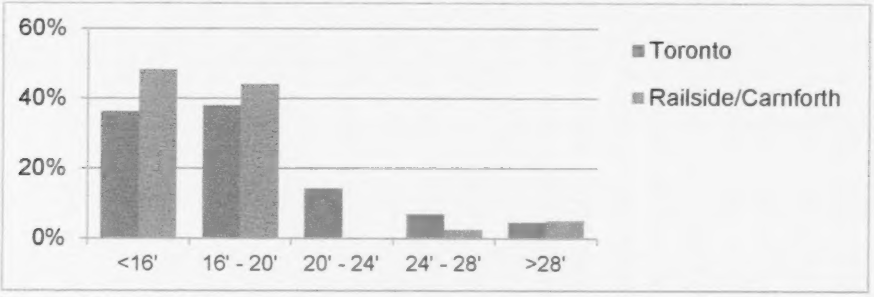
Source: 2012 Google Earth; © 2012 Digital Globe

Figure F.4.9: Industrial Re-investment and Transit Services in the Railside & Carnforth Rd Employment Cluster


LAWRENCE AVE
VICTORIA PARK AVE
Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $0
Alterations and other modifications site service, maintenance, safety and upgrades - $2,173,600
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 50 100 200 300
metres

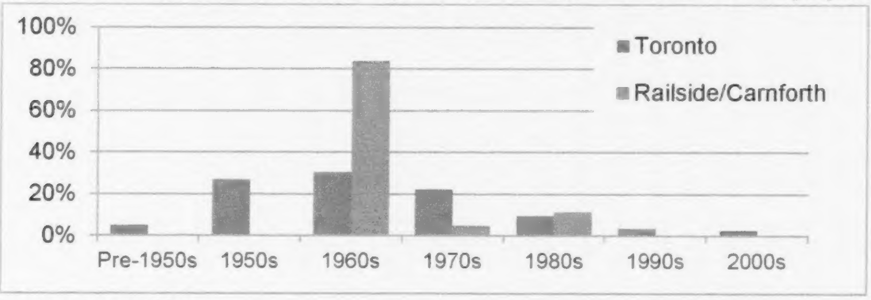
Source: City of Toronto. Toronto Transit Commission.

Figure F.4.10: Ceiling Height for Industrial Space in the Railside & Carnforth Rd R Employment Cluster, 2011



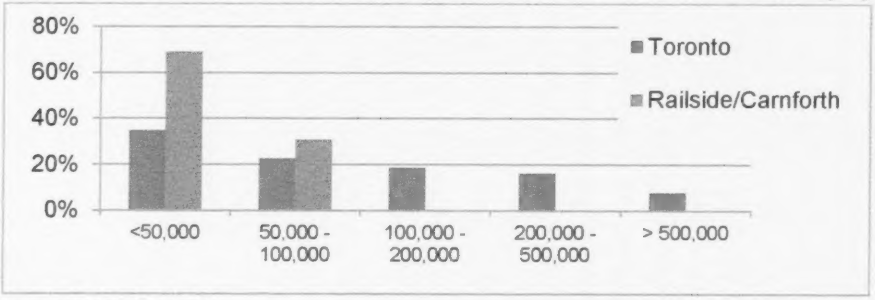
Source: C&W, 2011 Q4

Figure F.4.11: Built Year for Industrial Space in the Railside & Carnforth Rd Employment Cluster, 2011



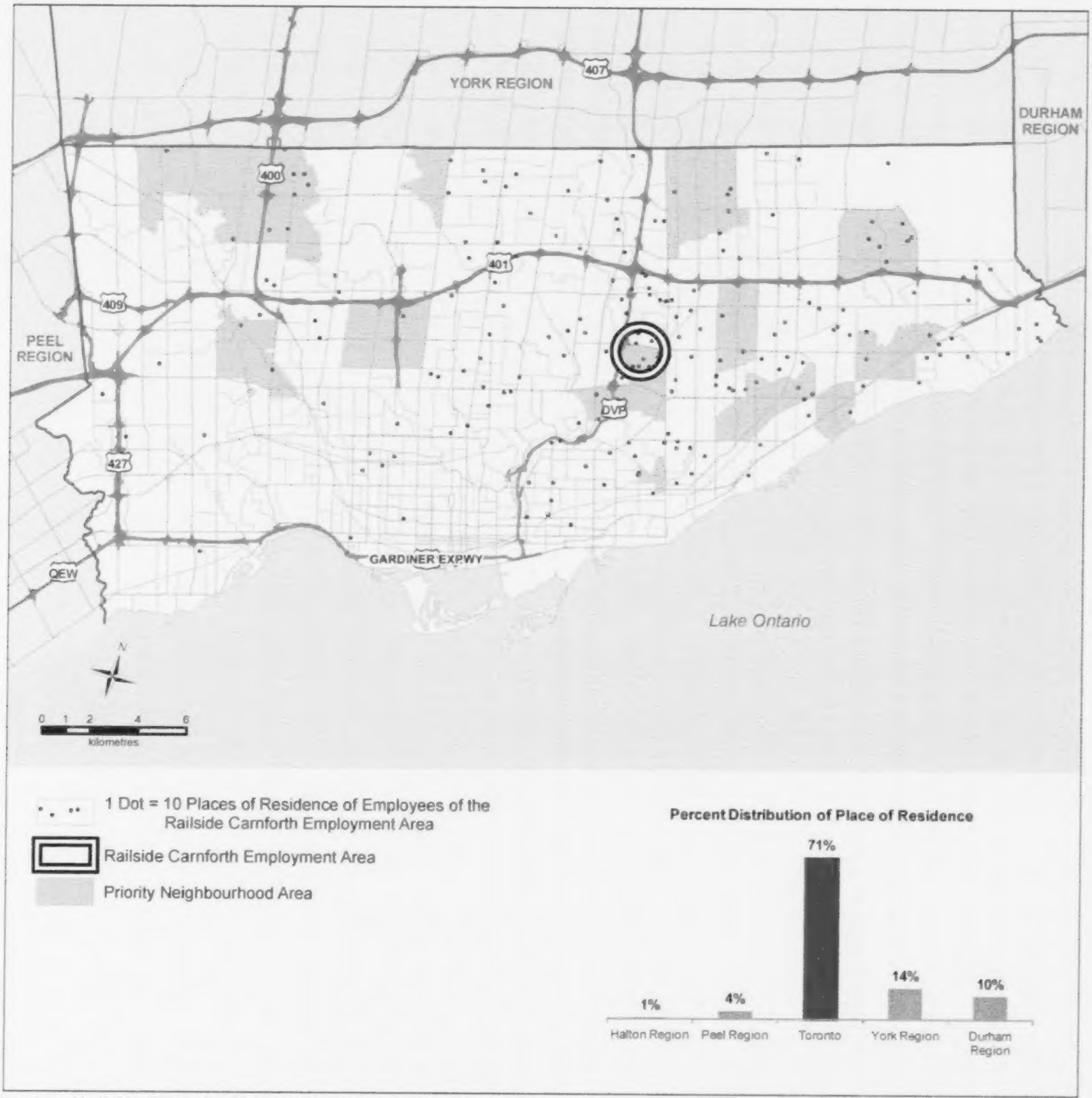
Source: C&W, 2011 Q4

Figure F.4.12: Building Size for Industrial Space in the Railside & Carnforth Rd Employment Cluster, 2011



Source: C&W, 2011 Q4

Figure F.4.13: Distribution of Place of Residence for Employment in Railside & Carnforth Rd Employment Cluster, 2006


YORK REGION
407
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
GARDINER EXPWY
QEW
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Railside Carnforth Employment Area
Railside Carnforth Employment Area
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
4%
71%
14%
10%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: *Statistics Canada, Place of Work Status – 2006 Census*

F.5 Thorncliffe Employment Cluster

Key Facts:

- *The Thorncliffe Employment Cluster employed 3,741 people in 2011, a 4% increase from 2006 and an 24.7% increase from 2001;*
- *It supported less than 1% of the City's employment in 2011, and 0.1% of its non-residential assessment;*
- *The cluster had $2,173,600 in industrial building permit values between 2006 and 2010;*
- *Employment growth (2001 – 2011) occurred in the Office (47%), Service (15%), and Retail (53.5%) sectors, with a 58% decline in its Institutional and 1% decline in Manufacturing and Warehouse employment;*
- *New establishment growth occurred in the Service, Office, and Other sectors, with a loss of Retail and Manufacturing establishments between 2006 and 2011;*
- *With a net occupied land base of 26.9 ha, there is 1,962,766 million sq. ft. of industrial building space with an average vacancy rate of 3.5% in 2011;*
- *The area is accessed from Overlea Boulevard, to the east of Don Mills Rd.*

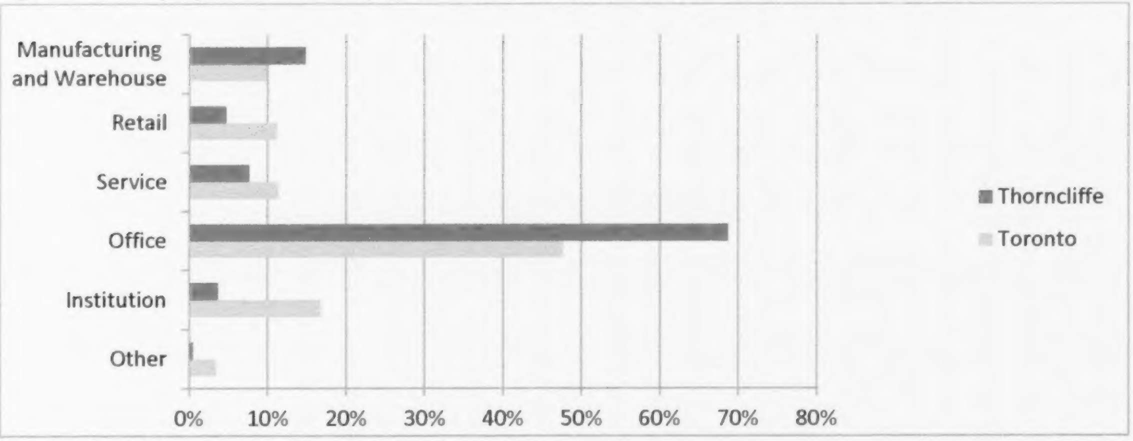
Figure F.5.1: Profile Data for the Thorncliffe Employment Cluster, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	26.9	-	0.3%
Vacant Area (Ha)	-	-	0.0	-	0.0%
Vacant Area (% of Net)	-	-	0.0%	-	-
Employment (Total PT & FT)	2,999	2,161	3,741	24.7%	0.4%
No. of Establishments	99	83	92	-7.1%	0.01%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	63%, 19%, 5%, 7%, 6%	59%, 16%, 13%, 6%, 6%	68%, 15%, 5%, 4%, 7%	-	-
Total Non Res. Assessment ($)	$62,333,495	-	$72,775,477	0.06x	0.1%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

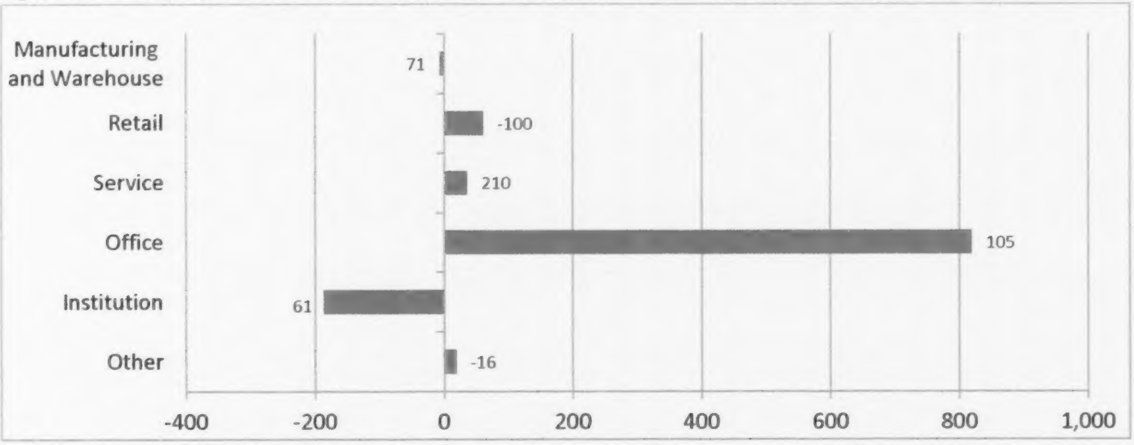
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure F.5.2: Employment Structure (%) in Thorncliffe Employment Cluster by Major Sector, 2011



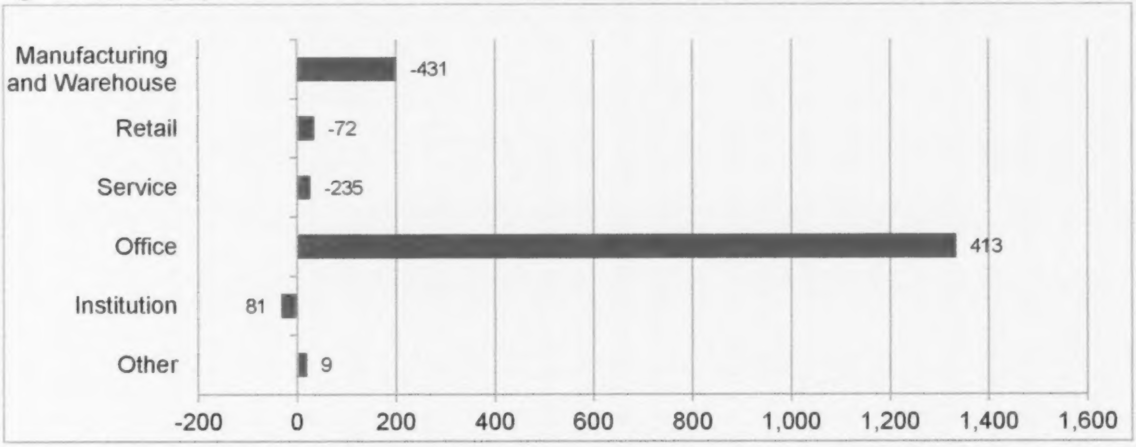
Source: City of Toronto Employment Survey, 2011

Figure F.5.3: Employment Growth in Thorncliffe Employment Cluster by Major Sector, 2001 to 2011



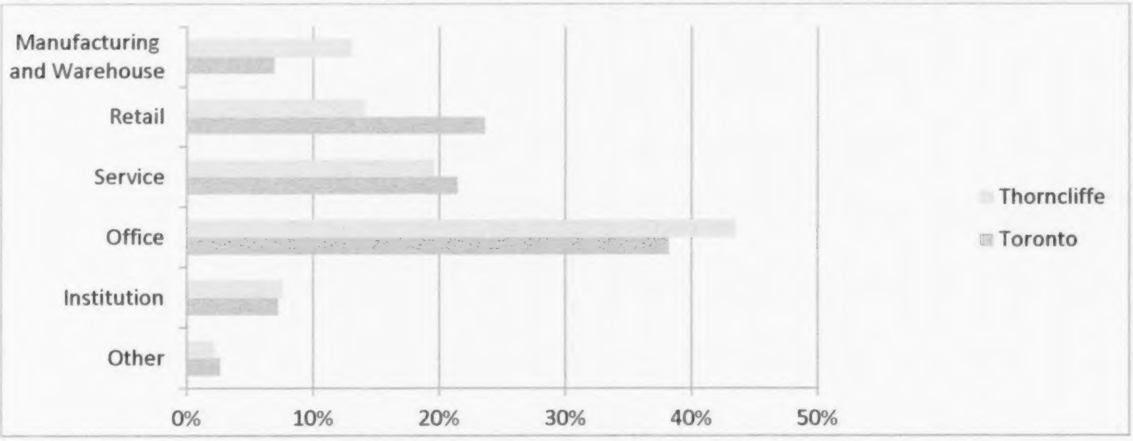
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.5.4: Employment Growth in Thorncliffe Employment Cluster by Major Sector, 2006 to 2011



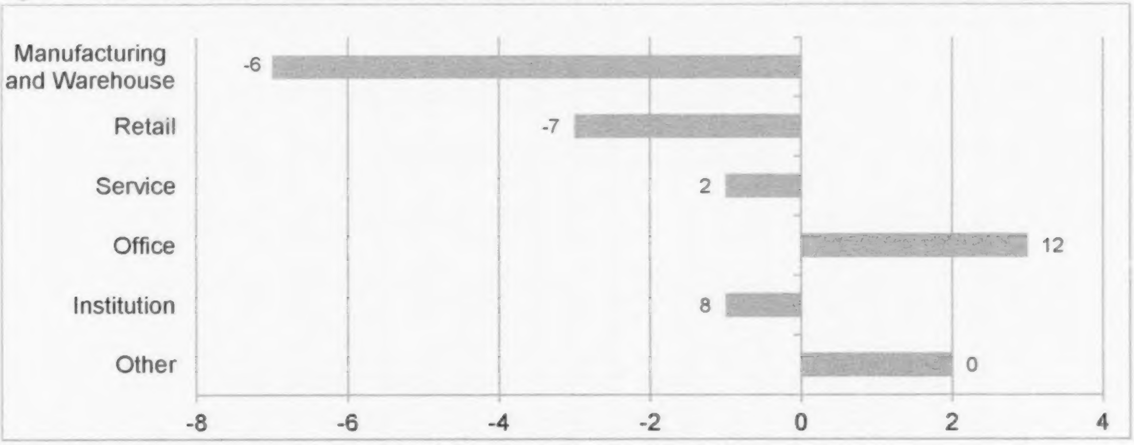
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.5.5: Establishment Structure (%) in the Thorncliffe Employment Cluster by Major Sector, 2011



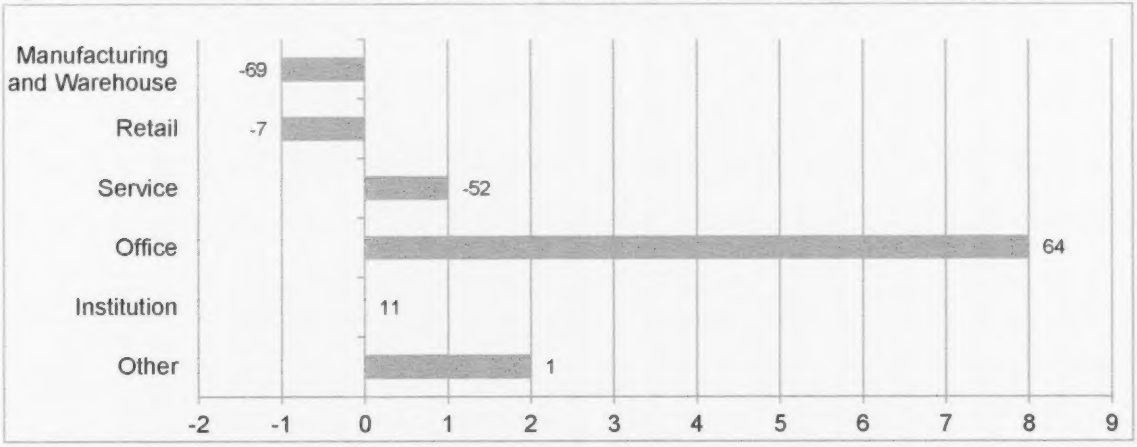
Source: City of Toronto Employment Survey, 2011

Figure F.5.6: Establishment Growth in the Thorncliffe Employment Cluster by Major Sector, 2001 to 2011



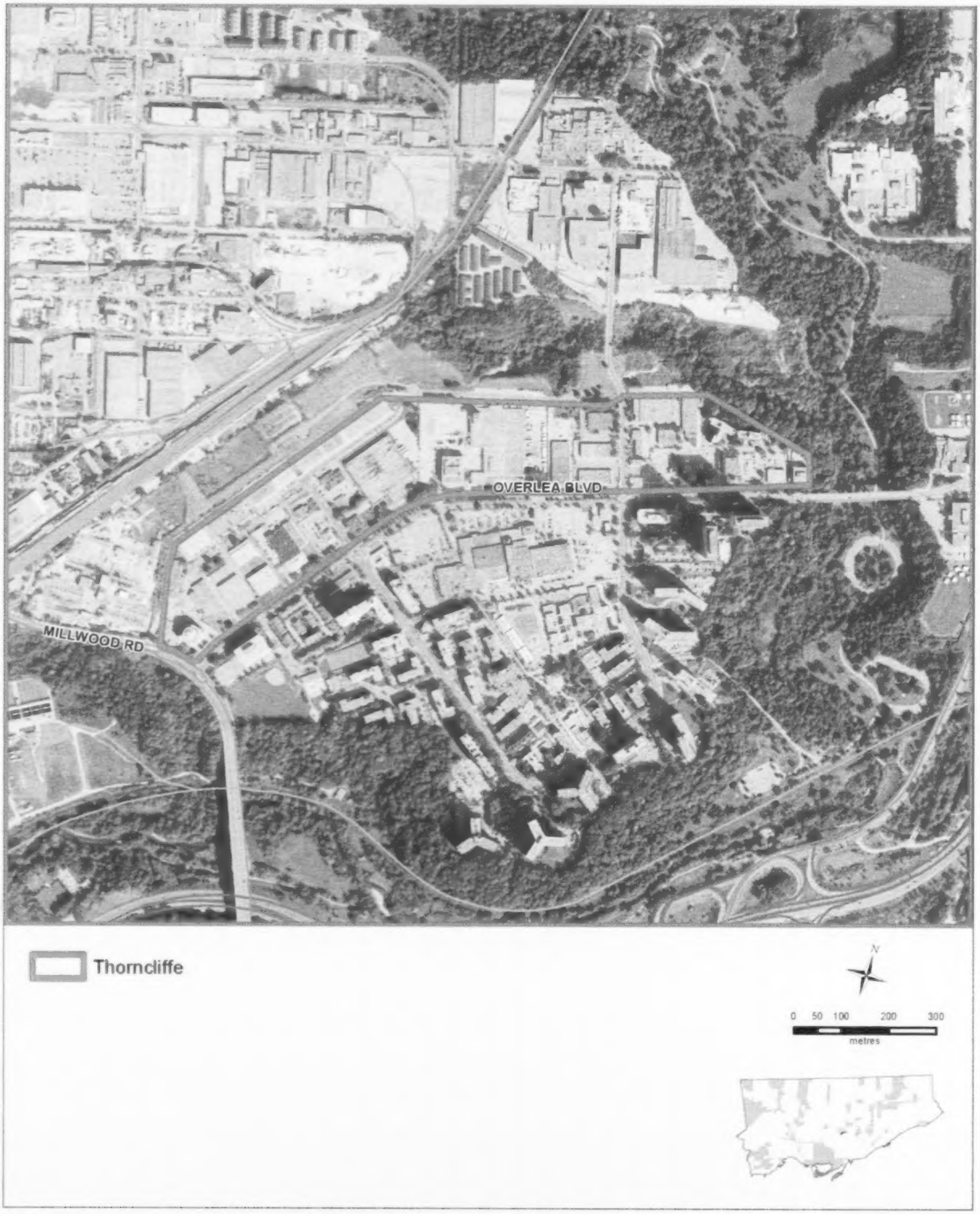
Source: City of Toronto Employment Survey, 2001 and 2011

Figure F.5.7: Establishment Growth in the Thorncliffe Employment Cluster by Major Sector, 2006 to 2011



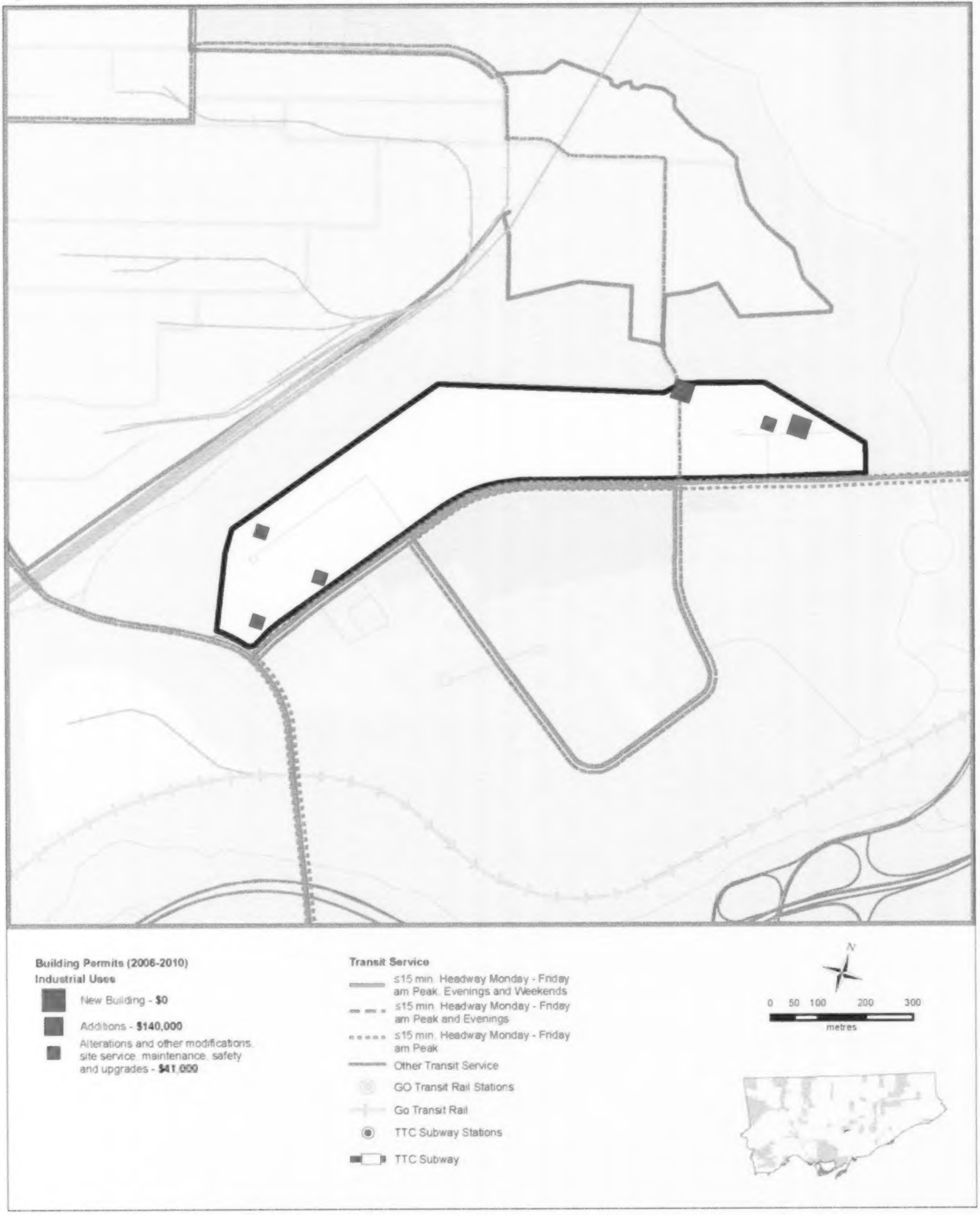
Source: City of Toronto Employment Survey, 2006 and 2011

Figure F.5.8: Extent and Character of the Thorncliffe Employment Cluster


OVERLEA BLVD
MILLWOOD RD
Thorncliffe
N
0 50 100 200 300
metres

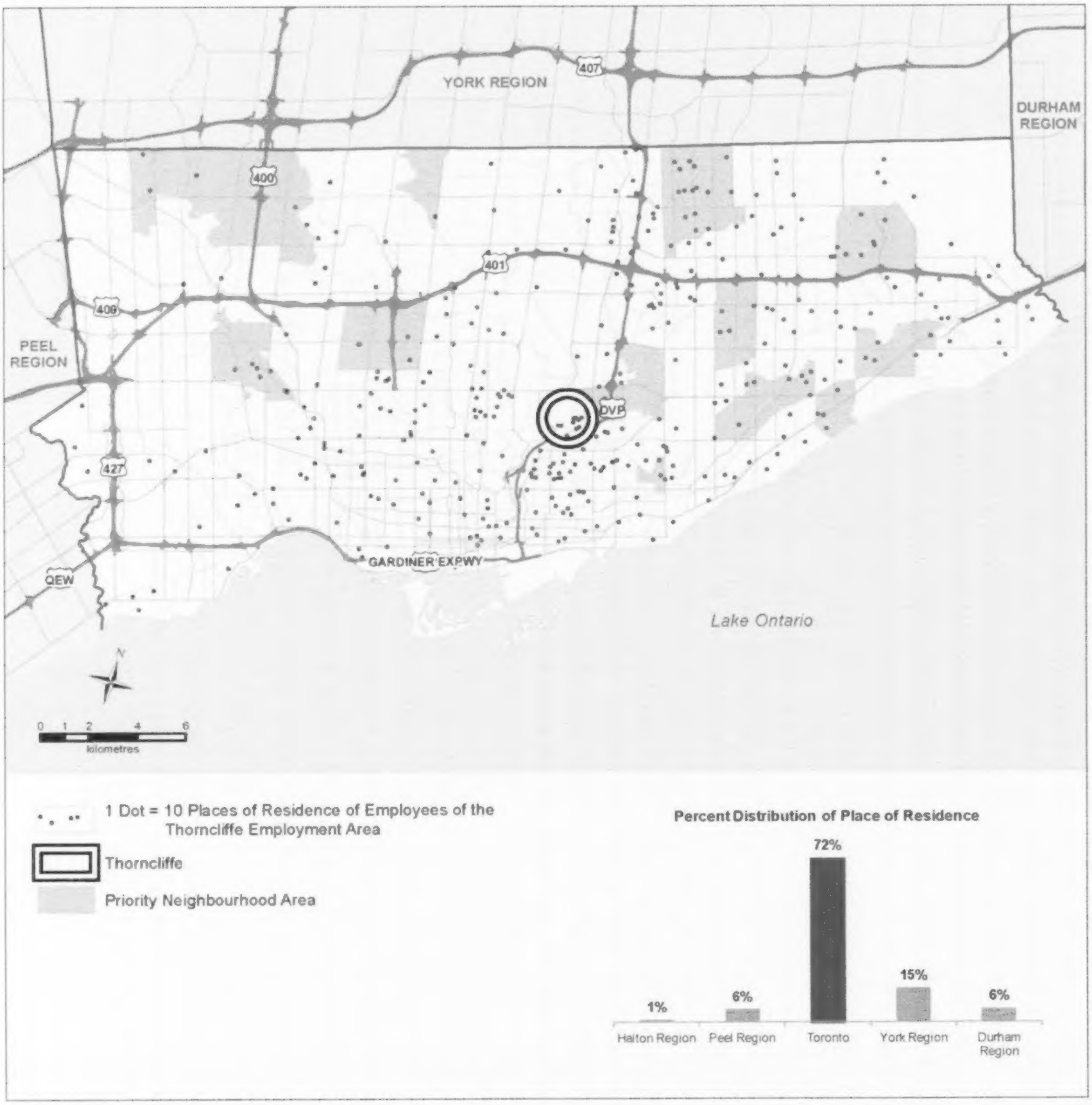
Source: 2012 Google Earth; © 2012 Digital Globe

Figure F.5.9: Industrial Re-investment and Transit Services in the Thorncliffe Employment Cluster


Building Permits (2006-2010)
Industrial Uses
New Building - $0
Additions - $140,000
Alterations and other modifications, site service, maintenance, safety and upgrades - $41,000
Transit Service
≤15 min. Headway Monday - Friday am Peak, Evenings and Weekends
≤15 min. Headway Monday - Friday am Peak and Evenings
≤15 min. Headway Monday - Friday am Peak
Other Transit Service
GO Transit Rail Stations
Go Transit Rail
TTC Subway Stations
TTC Subway
N
0 50 100 200 300
metres

Source: City of Toronto. Toronto Transit Commission.

Figure F.5.13: Distribution of Place of Residence for Employment in Thorncliffe Employment Cluster, 2006


407
YORK REGION
DURHAM REGION
400
401
409
PEEL REGION
DVP
427
QEW
GARDINER EXPWY
Lake Ontario
N
0 1 2 4 6
kilometres
1 Dot = 10 Places of Residence of Employees of the Thorncliffe Employment Area
Thorncliffe
Priority Neighbourhood Area
Percent Distribution of Place of Residence
1%
6%
72%
15%
6%
Halton Region
Peel Region
Toronto
York Region
Durham Region

Source: *Statistics Canada, Place of Work Status – 2006 Census*

This Page Is Left Intentionally Blank

APPENDIX 3 G

Avenues

Key Facts:

- ***Areas along Avenues employed 165,079 people in 2011, a 1.2% increase from 2006 and a 2.9% increase from 2001;***
- ***It supported 12.5% of the City's employment in 2011, and 15.5% of its non-residential assessment;***
- ***Employment growth (2001 – 2011) occurred in the Institutional (53%) and Service (4%) sectors, but declined in the Manufacturing (15%), Retail (9%), and Office (3%) sectors;***
- ***New establishment growth was concentrated in the Service sector, with a decline in Manufacturing and Retail establishments;***
- ***There is 9.6 million sq. ft. of industrial building space with an average vacancy rate of 1.5% in 2011;***
- ***Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet.***

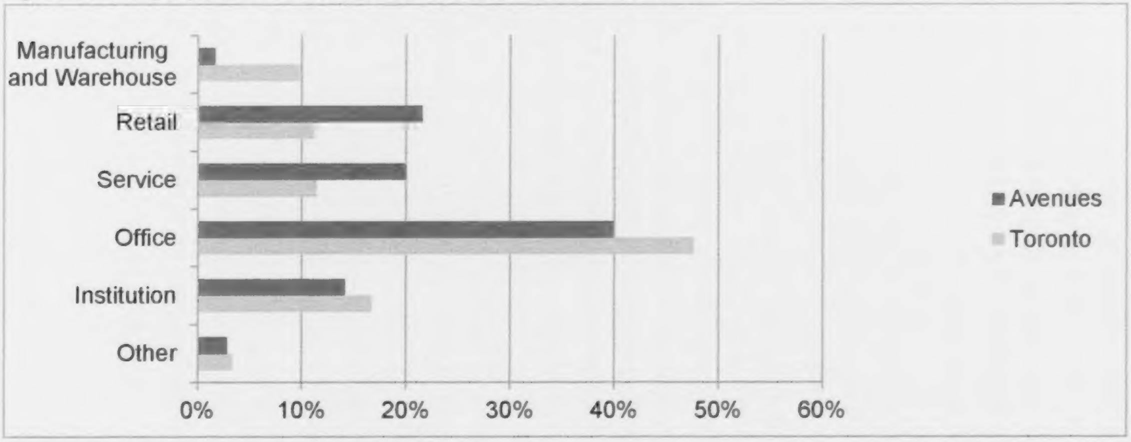
Figure G.1: Profile Data for in Avenues, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	1,573.8	-	14.0%
Vacant Area (Ha)	-	-	68.9	-	7.5%
Vacant Area (% of Net)	-	-	4.4%	-	-
Employment (Total PT & FT)	160,500	163,119	165,079	2.9%	12.5%
No. of Establishments	20,134	20,271	20,157	0.1%	26.8%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	87%, 8%, 2%, 1%, 1%	87%, 8%, 2%, 1%, 1%	86%, 9%, 3%, 1%, 1%	-	-
Industrial Inventory (sq.ft.)	-	-	9,605,889	-	3.5%
Office Space (Net Rentable Area, sq.ft.)	9,095,048	9,149,822	9,185,895	0.01%	6.8%
Unoccupied Office Space	3%	9.8%	7.2%	-	-
Office Rental Rate (Gross $/sq.ft.)	-	-	$33.70	-	-
Total Non Res. Assessment ($)	$5,940,457,200	-	$12,506,551,433	0.4x	15.5%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

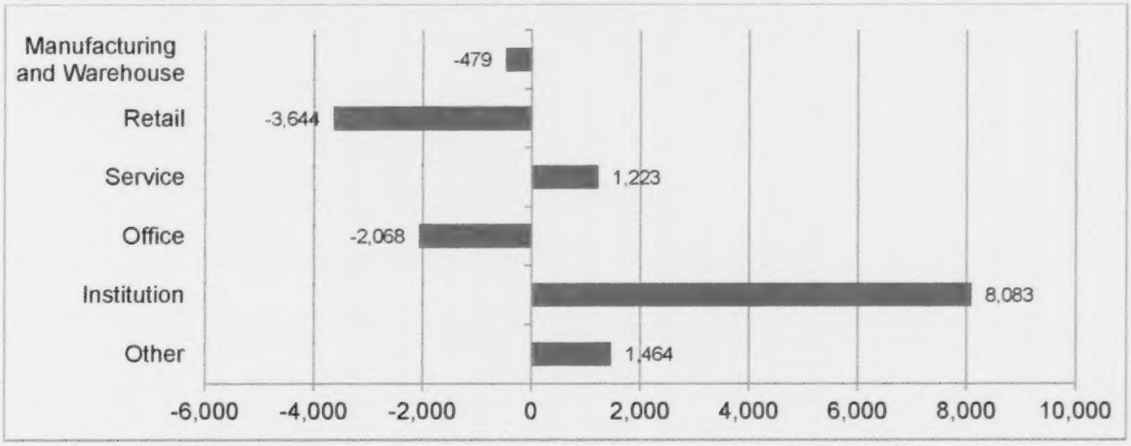
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure G.2: Employment Structure (% Distribution) in Avenues, 2011



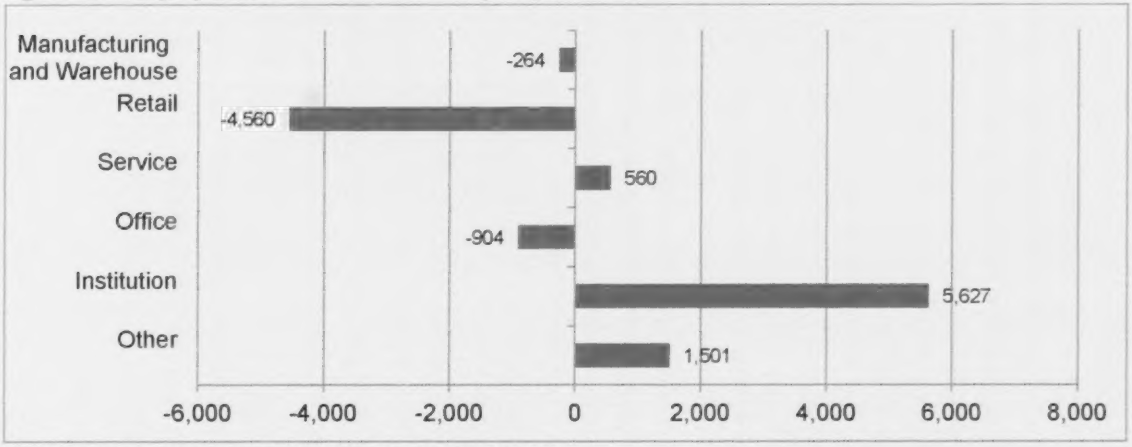
Source: City of Toronto Employment Survey, 2011

Figure G.3: Employment Growth in Avenues by Major Sector, 2001 to 2011



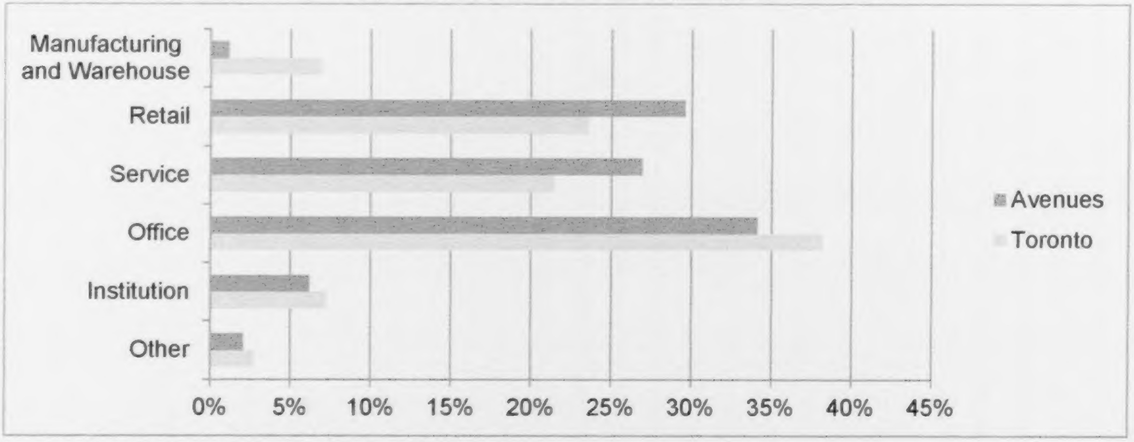
Source: City of Toronto Employment Survey, 2001 and 2011

Figure G.4: Employment Growth in Avenues by Major Sector, 2006 to 2011



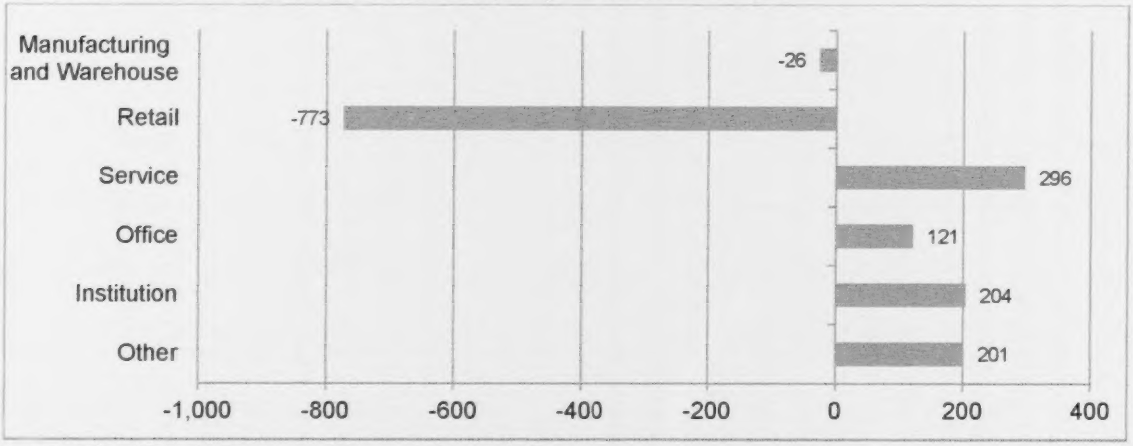
Source: City of Toronto Employment Survey, 2006 and 2011

Figure G.5: Establishment Structure (% Distribution) in Avenues by Major Sector, 2011



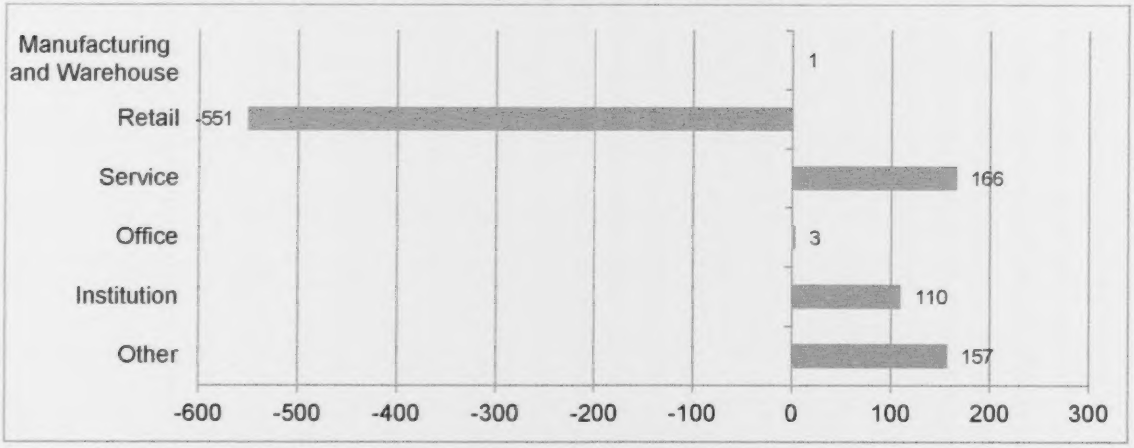
Source: City of Toronto Employment Survey, 2011

Figure G.6: Establishment Growth in Avenues by Major Sector, 2001 to 2011



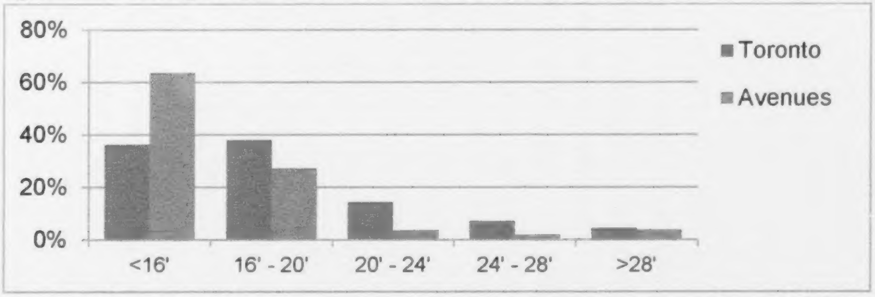
Source: City of Toronto Employment Survey, 2001 and 2011

Figure G.7: Establishment Growth in Avenues by Major Sector, 2006 to 2011



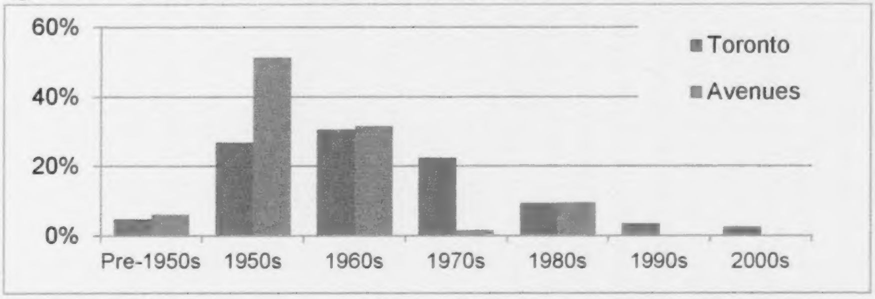
Source: City of Toronto Employment Survey, 2006 and 2011

Figure G.8: Ceiling Height for Industrial Space in Avenues, 2011



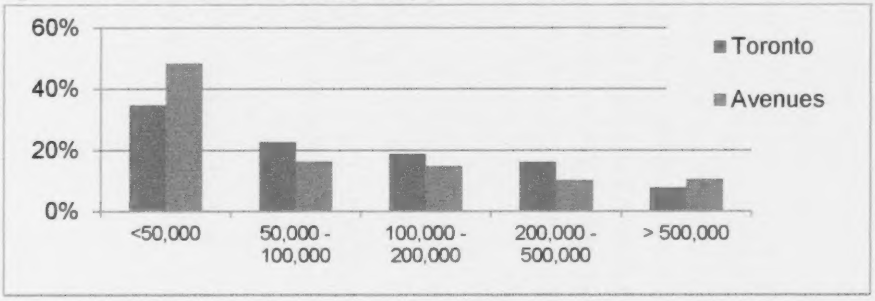
Source: C&W, 2011 Q4

Figure G.9: Built Year for Industrial Space in Avenues, 2011



Source: C&W, 2011 Q4

FigureG.10: Building Size for Industrial Space in Avenues, 2011



Source: C&W, 2011 Q4

This Page Is Left Intentionally Blank

APPENDIX 3 H

Mixed Use Areas Outside of Avenues

Key Facts:

- ***Mixed Use Areas Outside of Avenues employed 95,980 people in 2011, a 3.9% increase from 2006 and a 4.8% increase from 2001;***
- ***They supported 7.3% of the City's employment in 2011, and 5.61% of its non-residential assessment;***
- ***Employment growth (2001 – 2011) occurred in the Institutional (38%), Office (18%), and Service (7%) sectors, but declined in the Retail (10%) and Manufacturing (79%)sectors;***
- ***New establishment growth was concentrated in the Manufacturing and Warehouse sector and Service sectors, with a decline in Office and Retail establishments;***
- ***There is 4.6 million sq. ft. of industrial building space in these areas;***
- ***Most built industrial space dates to the 1950's and 1960's, concentrated in buildings with clear ceiling heights of less than 16 feet.***

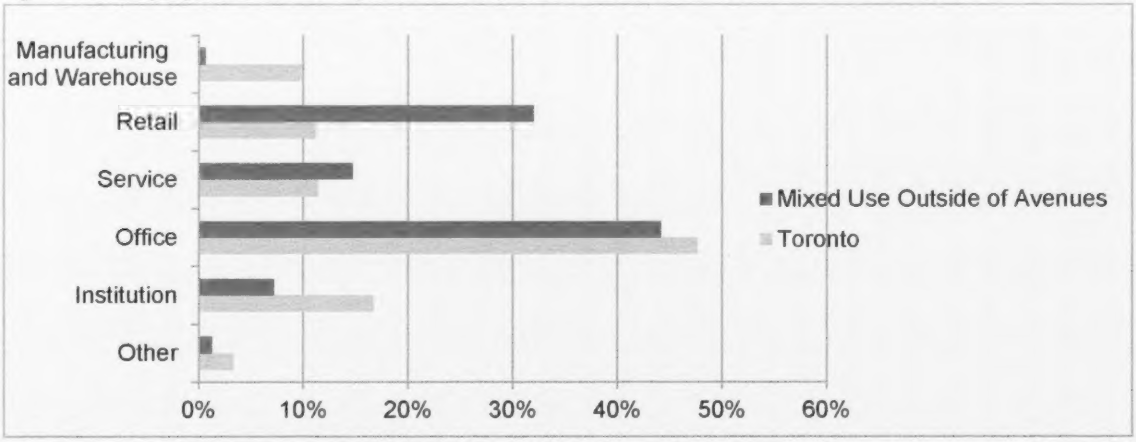
Figure H.1: Profile Data for in Mixed Use Areas Outside of Avenues, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Employment (Total PT & FT)	91,577	92,334	95,980	4.8%	7.3%
No. of Establishments	8,009	7,870	8,192	2.3%	10.9%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	82%, 11%, 3%, 2%, 2%	83%, 10%, 3%, 2%, 2%	81%, 11%, 4%, 2%, 2%	-	-
Industrial Inventory (sq.ft.)	-	-	4,652,913	-	1.7%
Office Space (Net Rentable Area, sq.ft.)	6,902,744	6,881,544	6,887,399	-0.2%	5.1%
Unoccupied Office Space	5.1%	10.8%	9.7%	-	-
Office Rental Rate (Gross $/sq.ft.)	-	-	$28.59	-	-
Total Non Res. Assessment ($)	$2,339,055,291	-	$4,496,001,864	0.4x	5.6%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

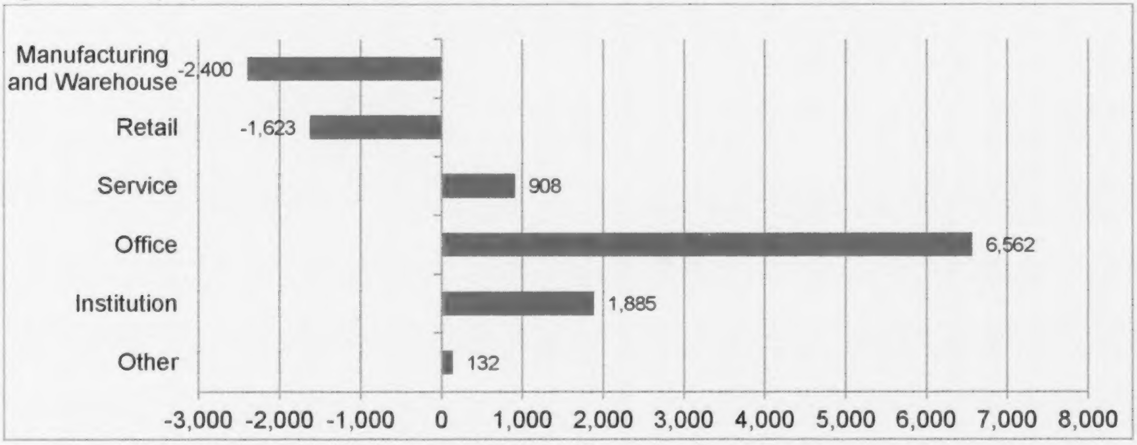
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure H.2: Employment Structure (% Distribution) in Mixed Use Areas Outside of Avenues, 2011



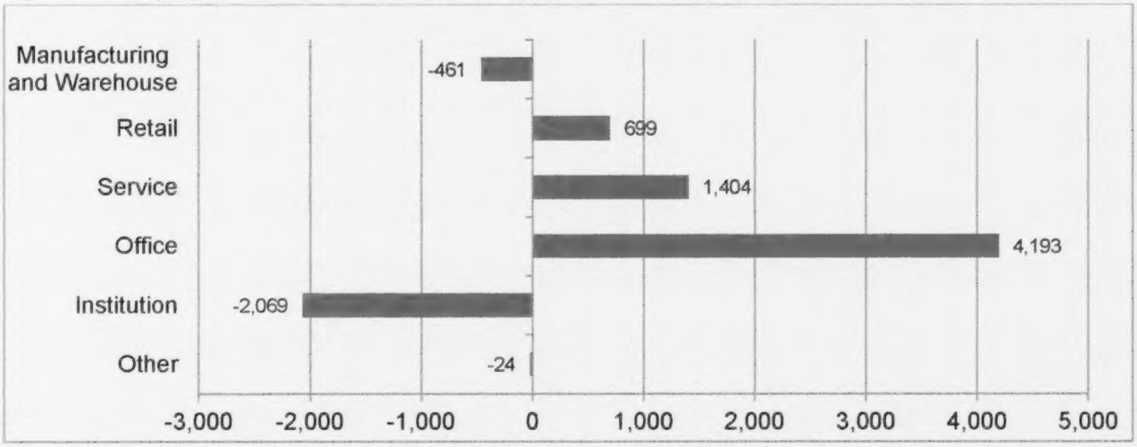
Source: City of Toronto Employment Survey, 2011

Figure H.3: Employment Growth in Mixed Use Areas Outside of Avenues by Major Sector, 2001 to 2011



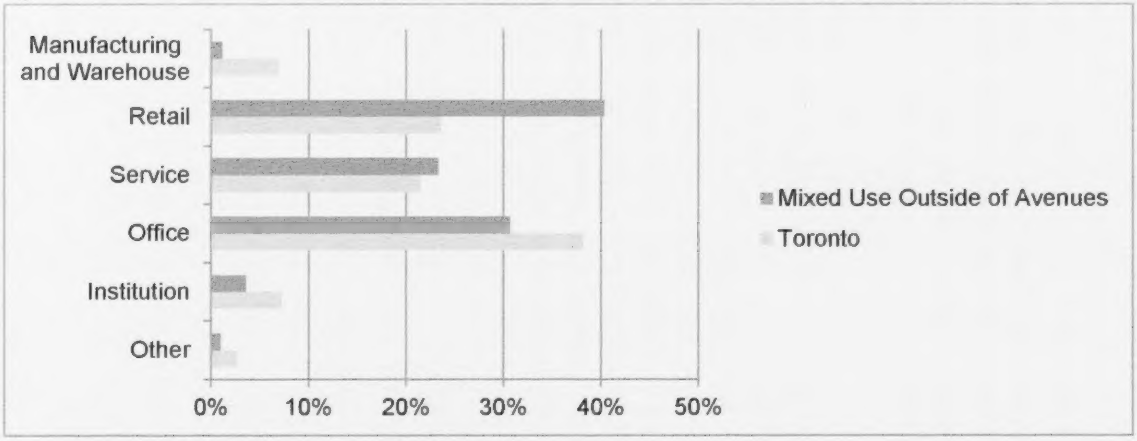
Source: City of Toronto Employment Survey, 2001 and 2011

Figure H.4: Employment Growth in Mixed Use Areas Outside of Avenues by Major Sector, 2006 to 2011



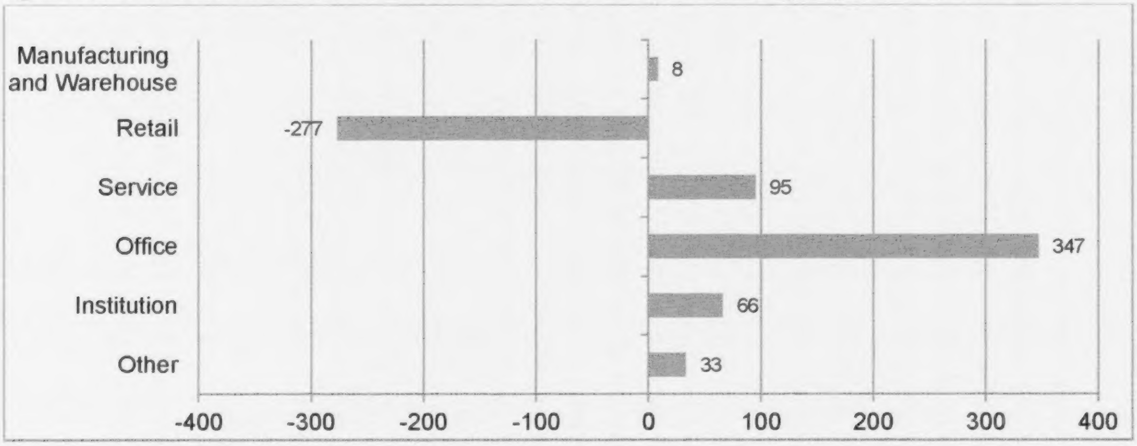
Source: City of Toronto Employment Survey, 2006 and 2011

Figure H.5: Establishment Structure (% Distribution) in Mixed Use Areas Outside of Avenues by Major Sector, 2011



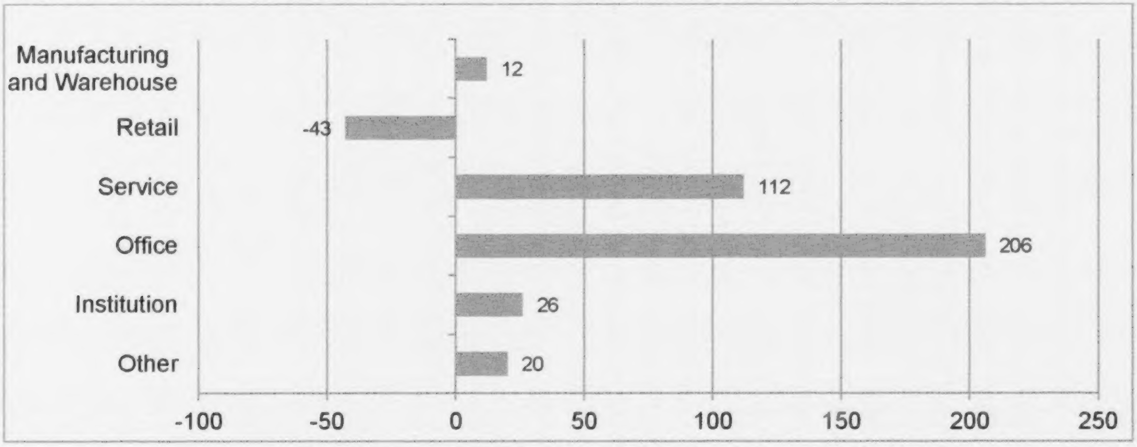
Source: City of Toronto Employment Survey, 2011

Figure H.6: Establishment Growth in Mixed Use Areas Outside of Avenues by Major Sector, 2001 to 2011



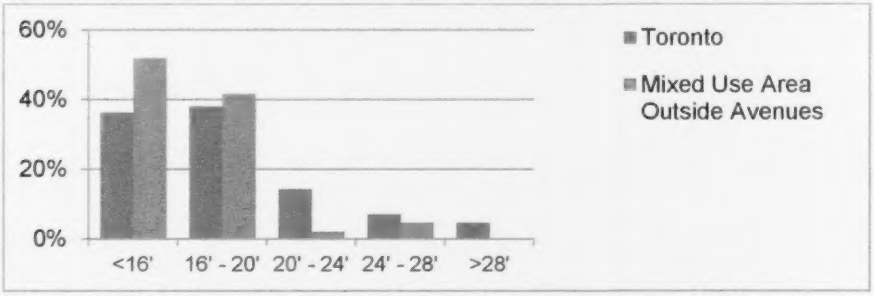
Source: City of Toronto Employment Survey, 2001 and 2011

Figure H.7: Establishment Growth in Mixed Use Areas Outside of Avenues by Major Sector, 2001 to 2011



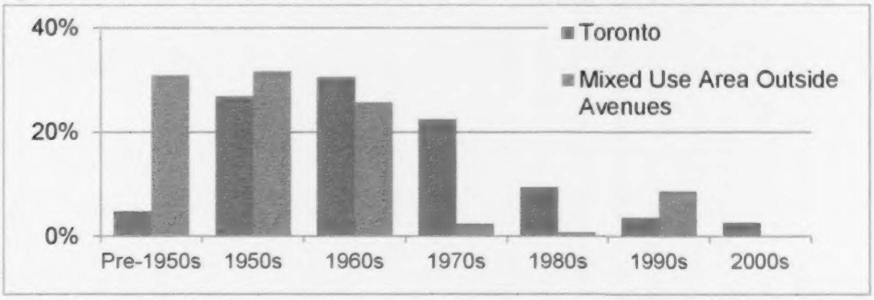
Source: City of Toronto Employment Survey, 2006 and 2011

Figure H.8: Ceiling Height for Industrial Space in Mixed Use Areas Outside of Avenues, 2011



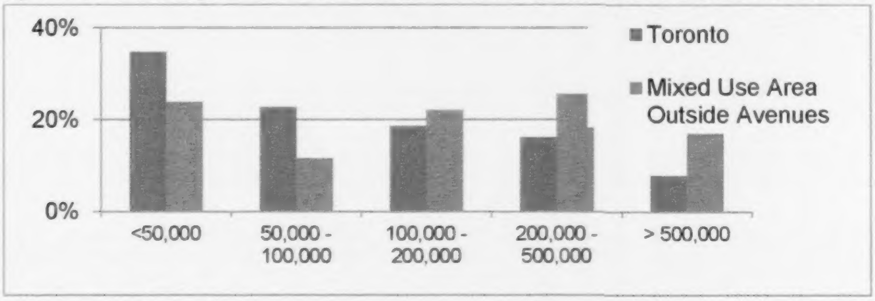
Source: C&W, 2011 Q4

Figure H.9: Built Year for Industrial Space in Mixed Use Areas Outside of Avenues, 2011



Source: C&W, 2011 Q4

FigureH.10: Building Size for Industrial Space in Mixed Use Areas Outside of Avenues, 2011



Source: C&W, 2011 Q4

This Page Is Left Intentionally Blank

APPENDIX 3 I

Institutional Areas

Key Facts:

- ***Institutional Areas outside of the Downtown and Central Waterfront employed 53,165 people in 2011, a 9.7% increase from 2006 and a 42.1 % increase from 2001;***
- ***They supported 4% of the City's employment in 2011, and 0.14% of its non-residential assessment in 2011;***
- ***Employment growth (2001 – 2011) occurred in the Service (379%), Office (87%), and Institutional (41%) sectors, but declined in the Retail (33%) sector;***
- ***New establishment growth occurred across Service, Office, Institutional, and Retail sectors.***

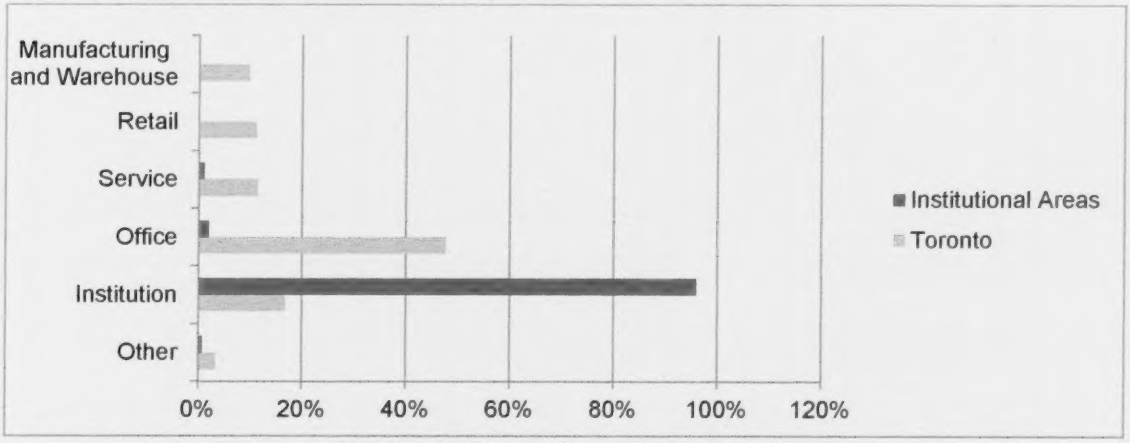
Figure I.1: Profile Data for Institutional Areas, 2001, 2006 and 2011

Variable	2001	2006	2011	% Change 2001-2011	2011 % of City
Area (Net Ha)	-	-	-	-	-
Vacant Area (Ha)	-	-	-	-	-
Vacant Area (% of Net)	-	-	-	-	-
Employment (Total PT & FT)	37,415	48,460	53,165	29.6%	4.0%
No. of Establishments	199	205	353	43.6%	0.5%
Establishment Size Structure (% 1-10/11-25/26-50/52-100/100+)	67%, 6%, 3%, 3%, 22%	62%, 10%, 3%, 4%, 21%	75%, 9%, 2%, 2%, 12%	-	-
Total Non Res. Assessment ($)	$66,470,379	-	$110,077,178	0.3x	0.1%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

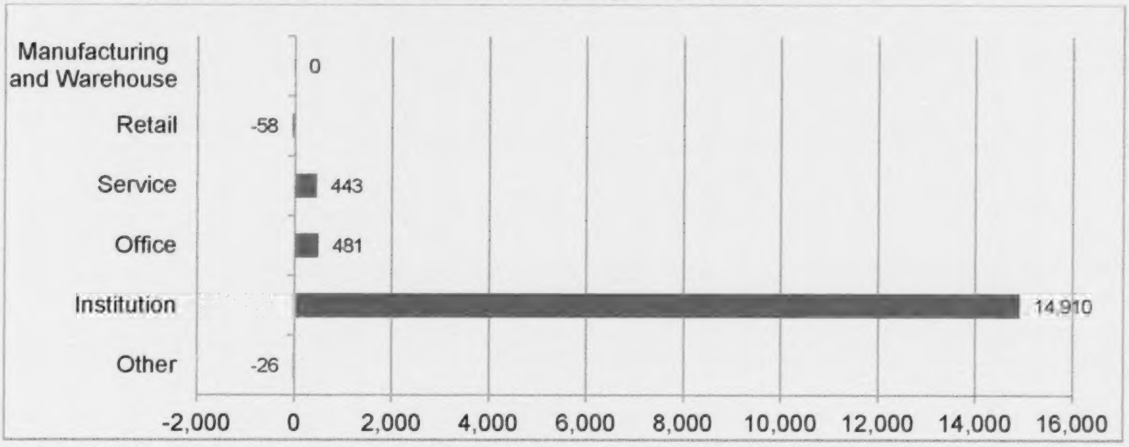
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure I.2: Employment Structure (% Distribution) in Institutional Areas, 2011



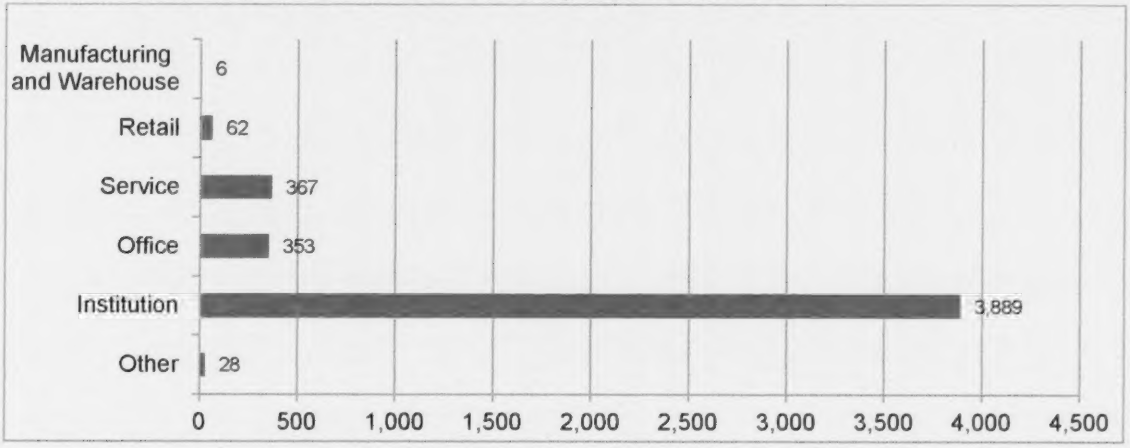
Source: City of Toronto Employment Survey, 2011

Figure I.3: Employment Growth in Institutional Areas by Major Sector, 2001 to 2011



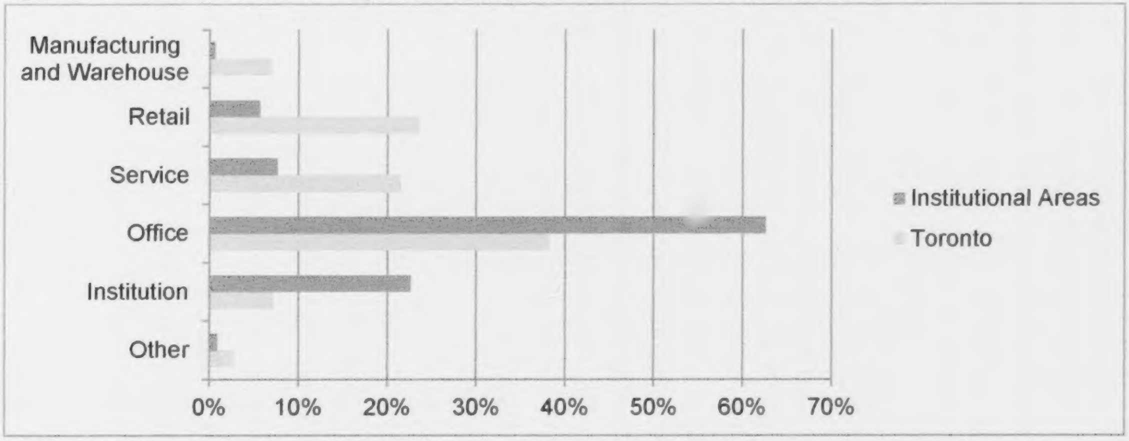
Source: City of Toronto Employment Survey, 2001 and 2011

Figure I.4: Employment Growth in Institutional Areas by Major Sector, 2006 to 2011



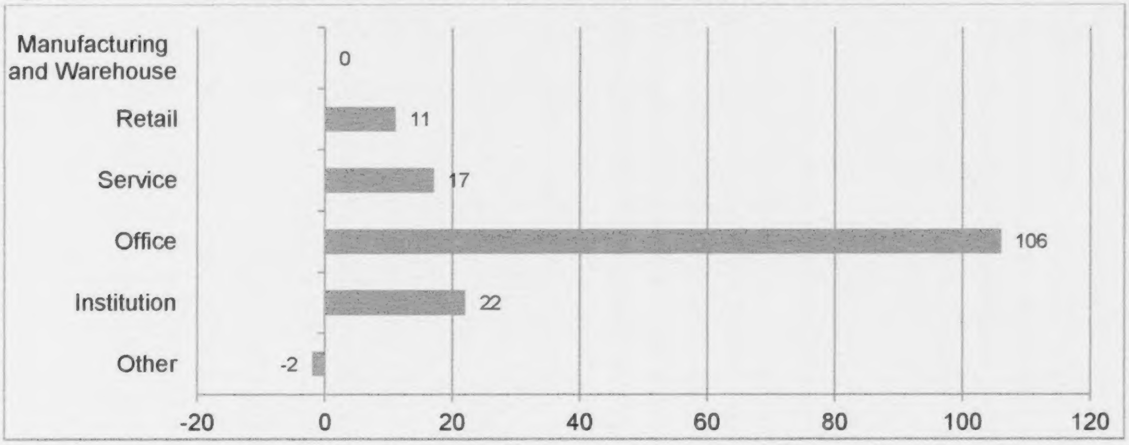
Source: City of Toronto Employment Survey, 2006 and 2011

Figure I.5: Establishment Structure (% Distribution) in Institutional Areas by Major Sector, 2011



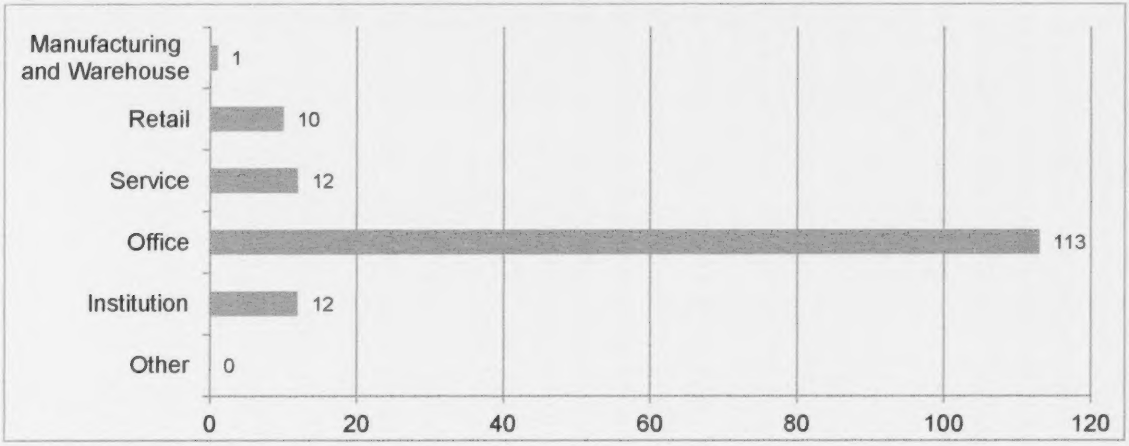
Source: City of Toronto Employment Survey, 2011

Figure I.6: Establishment Growth in Institutional Areas by Major Sector, 2001 to 2011



Source: City of Toronto Employment Survey, 2001 and 2011

Figure I.7: Establishment Growth in Institutional Areas by Major Sector, 2006 to 2011



Source: City of Toronto Employment Survey, 2006 and 2011

APPENDIX 3 J

All Other Areas

Key Facts:

- ***All Other Areas employed 94,587 people in 2011, a 5.5% decrease from 2006 and an 8.3% decrease from 2001;***
- ***These supported 7.2% of the City's employment in 2011, and 4.3% of its non-residential assessment in 2011;***
- ***Employment growth (2001 – 2011) occurred in the Institutional (12%) sector, but declined in the Manufacturing and Warehouse (69%), Retail (49%), Service (44%), and Office (28%) sectors;***
- ***New establishment growth occured in the Institutional sector, and decreased across all other sectors;***
- ***There is 13.3 million sq. ft. of industrial building space outside of the designated Employment Areas or other localities;***
- ***Most built industrial space dates to the 1950's, concentrated in buildings with clear ceiling heights less than 16 feet.***

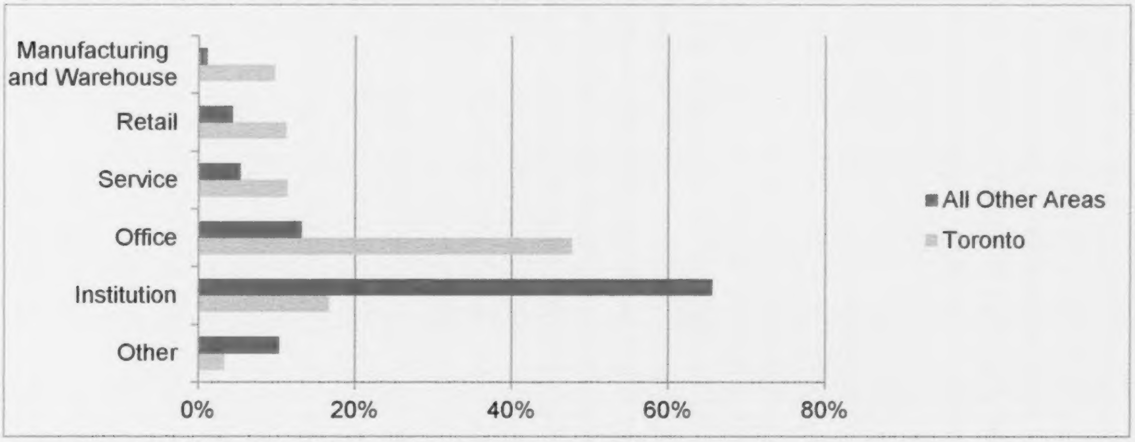
Figure J.1: Profile Data for All Other Areas, 2001, 2006 and 2011

Variable	**2001**	**2006**	**2011**	**% Change 2001-2011**	**2011 % of City**
Employment (Total PT & FT)	103,167	100,083	94,587	-8.4%	7.2%
No. of Establishments	6,669	6,500	5,716	-14.3%	7.6%
Establishment Size Structure (% 1-10/11-25/26-50/51-100/100+)	74%, 11%, 9%, 4%, 2%	73%, 12%, 9%, 4%, 2%	72%, 12%, 10%, 4%, 2%	-	-
Industrial Inventory (sq.ft.)	-	-	13,286,403	-	4.8%
Office Space (Net Rentable Area, sq.ft.)	1,828,403	1,938,131	1,951,427	6.7%	1.5%
Unoccupied Office Space	6.7%	15.5%	14.3%	-	-
Office Rental Rate (Gross $/sq.ft.)	-	-	$26.59	-	-
Total Non Res. Assessment ($)	$1,672,113,921	-	$3,452,363,503	0.3x	4.3%

Source: City of Toronto Employment Survey - 2001, 2006 and 2011; C&W - 2011 Q4.

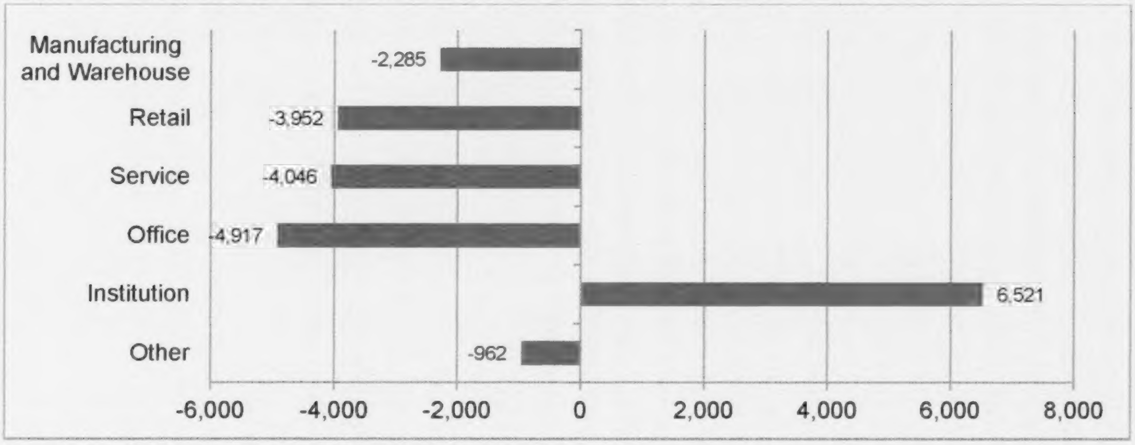
Note: The 2001/2011 increase in non-residential assessment is expressed as an index to the City's overall non-residential increase (i.e., an index less than 1.0 indicates assessment growth has not been as strong as in the city as a whole, an index greater than 1.0 indicates stronger than average non –residential assessment growth over the period).

Figure J.2: Employment Structure (% Distribution) in Institutional Areas, 2011



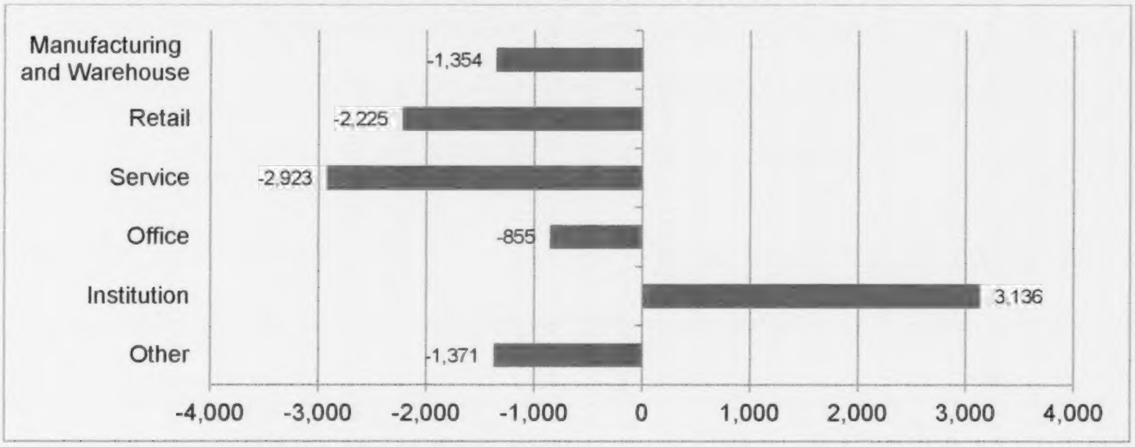
Source: City of Toronto Employment Survey, 2011

Figure J3: Employment Growth in Institutional Areas by Major Sector, 2001 to 2011



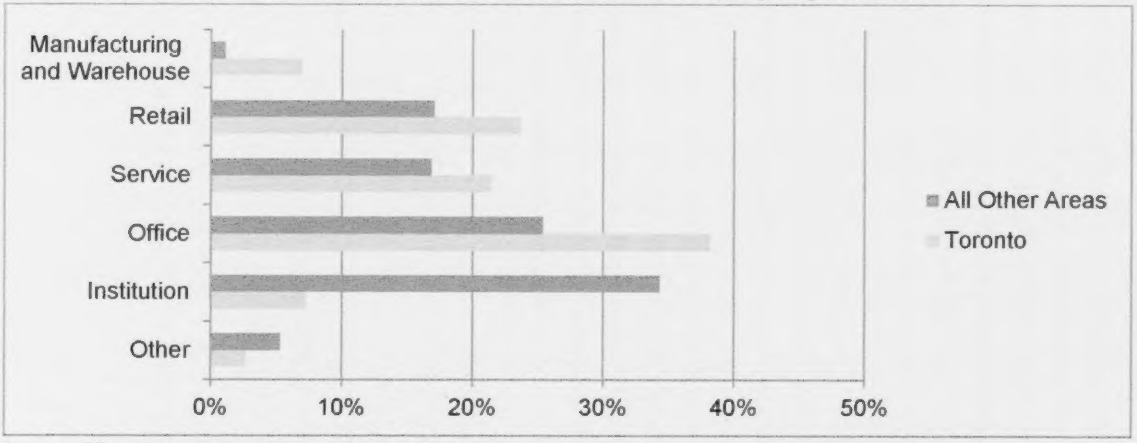
Source: City of Toronto Employment Survey, 2001 and 2011

Figure J4: Employment Growth in Institutional Areas by Major Sector, 2006 to 2011



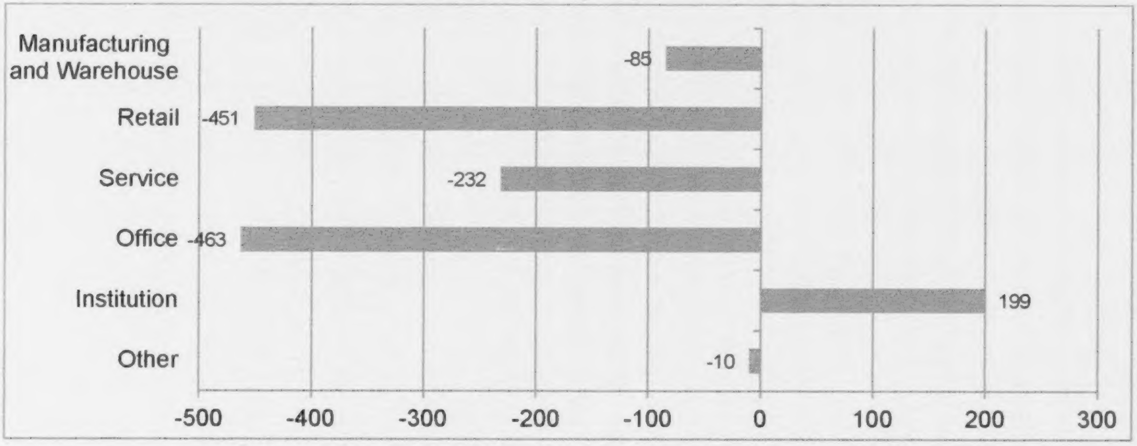
Source: City of Toronto Employment Survey, 2006 and 2011

Figure J.5: Establishment Structure (% Distribution) in Institutional Areas by Major Sector, 2011



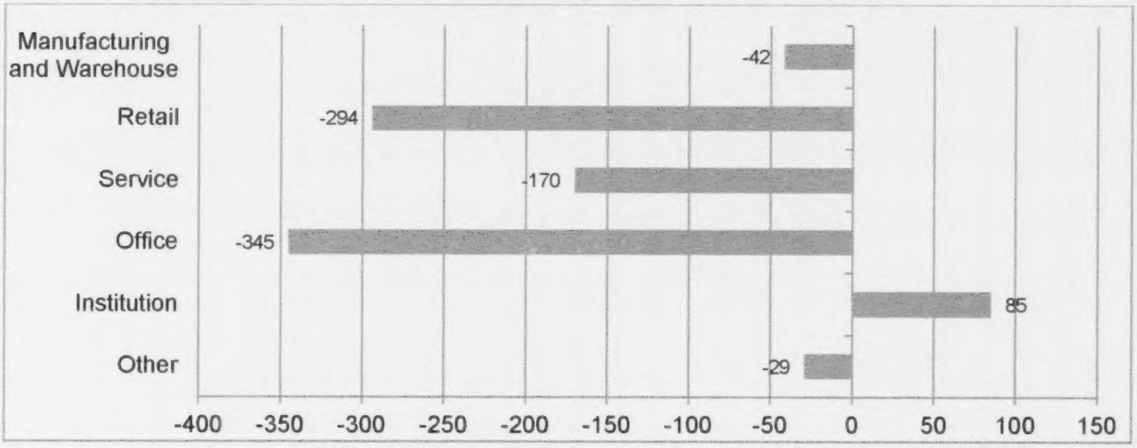
Source: City of Toronto Employment Survey, 2011

Figure J.6: Establishment Growth in Institutional Areas by Major Sector, 2001 to 2011



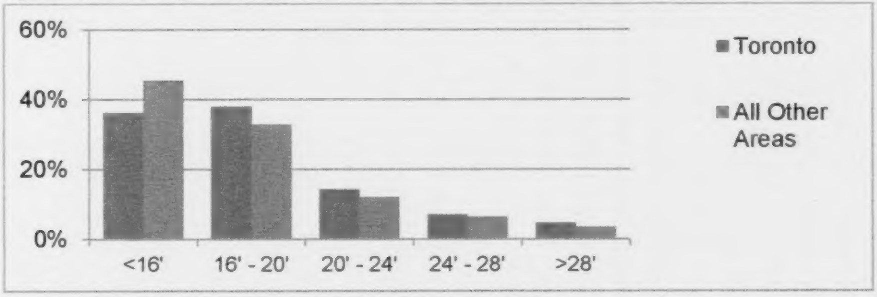
Source: City of Toronto Employment Survey, 2001 and 2011

Figure J.7: Establishment Growth in Institutional Areas by Major Sector, 2006 to 2011



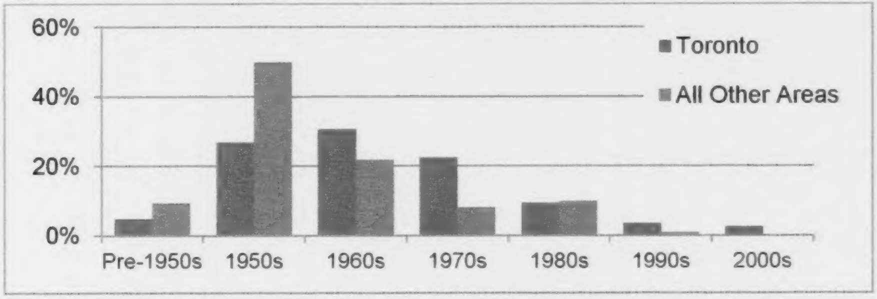
Source: City of Toronto Employment Survey, 2006 and 2011

Figure J.8: Ceiling Height for Industrial Space in All Other Areas, 2011



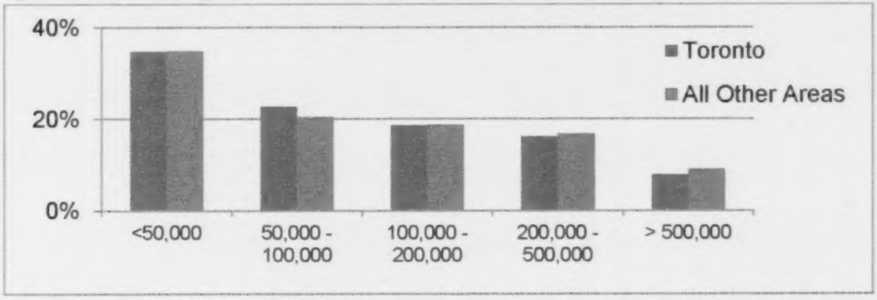
Source: C&W, 2011 Q4

Figure J.9: Built Year for Industrial Space in All Other Areas, 2011



Source: C&W, 2011 Q4

Figure J.10: Building Size for Industrial Space in All Other Areas, 2011



Source: C&W, 2011 Q4

This Page Is Left Intentionally Blank